

April 7, 2009

H 1161. REVISE INSURANCE FINANCIAL CONDITIONS. Filed 4/7/09. *TO MAKE CHANGES IN THE LAWS RELATED TO THE FINANCIAL CONDITIONS OF INSURANCE COMPANIES, INCLUDING REINSURANCE INTERMEDIARIES, RECEIVERSHIP, THIRD-PARTY ADMINISTRATORS AND AUDITS OF WORKERS' COMPENSATION SELF-INSURERS, AND FOREIGN INSURERS.*

Amends Article 9 of Chapter 58 of the General Statutes to require reinsurance intermediaries to comply with any order of a court or arbitration panel requiring the production of nonprivileged documents by the intermediary, or the testimony of an employee or other individual otherwise under the control of the intermediary with respect to any reinsurance transaction for which it acted as an intermediary.

Amends GS 58-30-85(e) to authorize the rehabilitator to prepare a plan for changes if the rehabilitator determines that runoff of the insurer is appropriate.

Amends GS 58-30-165(d) to specify that the liquidator may either give notice of the order to show cause by publication or by first class mail to each member liable thereunder.

Amends GS 58-47-205 to prohibit a third-party administrator (TPA) or service company, or any owner, officer, employee, or agent of a TPA or service company, or any other person affiliated with or related to the TPA or service company from making a contribution to the surplus of a self-insurer.

Amends GS 97-165 to provide that a certified audit includes an audit on which a foreign registered public accounting firm expresses his or her professional opinion that the accompanying statements fairly present the financial position of the self-insurer or the guarantor and requires that it be prepared in accordance with generally accepted accounting principles or International Financial Reporting Standards. Defines foreign registered public accounting firm. Makes other conforming changes.

Amends GS 97-170(d) and GS 97-180(a) to make conforming changes.

Amends GS 58-16-5 to eliminate the requirement that a foreign or alien insurance company must show that it has been successful in the conduct of its insurance or reinsurance business in order to be licensed to do business in the State.

Effective October 1, 2009.

Intro. by Wray, Goforth.

GS 58, 97

April 20, 2009

H 1161. REVISE INSURANCE FINANCIAL CONDITIONS. Filed 4/7/09. House committee substitute makes the following changes to 1st edition. Amends proposed GS 97-165(6) to clarify that a *foreign registered public accounting firm* means a public accounting firm that is organized and operates under the laws of a non-US jurisdiction, government, or political subdivision and is registered and in good standing with the Public Accounting Oversight Board *and is authorized by the Board* to prepare or issue any audit report with respect to any issuer. Also makes a conforming change to GS 97-170(d)(2).

May 5, 2009

H 1161. REVISE INSURANCE FINANCIAL CONDITIONS. Filed 4/7/09. House committee substitute makes the following changes to 2nd edition. Amends GS 58-30-165(d) to direct the liquidator to give notice by publication or by certified mail of the order to show cause to each member of the insurer who has failed to pay an assessment levied by the court (was, give notice by publication and by first class mail). Makes a technical change.

June 29, 2009

SL 2009-172 (H 1161). REVISE INSURANCE FINANCIAL CONDITIONS. AN ACT TO MAKE CHANGES IN THE LAWS RELATED TO THE FINANCIAL CONDITIONS OF INSURANCE COMPANIES, INCLUDING REINSURANCE INTERMEDIARIES, RECEIVERSHIP, THIRD-PARTY ADMINISTRATORS AND AUDITS OF WORKERS' COMPENSATION

SELF-INSURERS, AND FOREIGN INSURERS. Summarized in *Daily Bulletin* 4/7/09, 4/20/09, and 5/5/09. Enacted June 26, 2009. Effective October 1, 2009.