

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H.B. 569
Apr 5, 2017
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30236-MR-26 (01/31)

Short Title: Pretax Supplemental Benefits. (Public)

Sponsors: Representatives Dollar, Malone, Destin Hall, and Corbin (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW PRODUCTS SELECTED BY THE EMPLOYEE INSURANCE
3 COMMITTEES TO BE OFFERED ON A PRETAX BASIS.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** G.S. 58-31-60(c) reads as rewritten:
6 "(c) Payroll Deduction Slots. – Each payroll unit shall be entitled to not less than four
7 payroll deduction slots to be used for payment of insurance premiums for products selected by
8 the Employee Insurance Committee and offered to the employees of the payroll unit. The
9 Employee Insurance Committee shall select only one company per payroll deduction slot. The
10 products selected by the Employee Insurance Committee may be offered on a pretax basis. The
11 Company selected by the Employee Insurance Committee shall be permitted to sell through
12 payroll deduction only the products specifically approved by the Employee Insurance
13 Committee. The assignment by the Employee Insurance Committee of a payroll deduction slot
14 shall be for a period of not less than two years unless the insurance company shall be in
15 violation of the terms of the written agreement specified in this subsection. The insurance
16 company awarded a payroll deduction slot shall, pursuant to a written agreement setting out the
17 rights and duties of the insurance company, be afforded an adequate opportunity to solicit
18 employees of the payroll unit by making such employees aware that a representative of the
19 company will be available at a specified time and at a location convenient to the employees.
20 Notwithstanding any other provision of the General Statutes, once an employee has selected
21 an insurance product for payroll deduction, that product may not be removed from payroll
22 deduction for that employee without his or her specific written consent.
23 When an employee retires from State employment and payroll deduction under this section
24 is no longer available, the insurance company may not terminate life insurance products
25 purchased under the payroll deduction plan without the retiree's specific written consent solely
26 because the premium is no longer deducted from payroll."
27 **SECTION 2.** This act is effective when it becomes law and applies to products or
28 services as regulated herein that will be funded by payroll deductions beginning on or after
29 January 1, 2018.

