

ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 86

AMENDMENT NO. A1

(to be filled in by
Principal Clerk)

S86-ABC-90 [v.4]

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Amends Title [NO]
Fourth Edition

Date _____, 2019

Representative K. Hall

1 moves to amend the bill on page 1, line 26, through page 2, line 31 by rewriting the lines to read:

2 **""§ 58-50A-1. Definitions.**

3 The following definitions apply in this Article.

- 4 (1) Employer Member. – A person or entity acting directly as the employer of at
5 least one employee, or a working owner, either of whom is a participant
6 covered under a Path 2 MEWA.
- 7 (2) Employee welfare benefit plan. – The term as defined in Section 3 of the
8 Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1002(1), as
9 amended.
- 10 (3) Multiple employer welfare arrangement or MEWA, – The term as defined in
11 Section 3 of the Employee Retirement Income Security Act of 1974, 29 U.S.C.
12 § 1002(40(A), as amended, that meets at least one of the following criteria:
13 a. Has at least one employer member of the MEWA that is either
14 domiciled in this State or has its principal headquarters or principal
15 administrative office in this State.
16 b. Solicits an employer that is domiciled in this State or that has its
17 principal headquarters or principal administrative office in this State.
- 18 (4) Path 2 MEWA. – A MEWA that is established or maintained by an association
19 of employers classified by the United States Department of Labor as a bona
20 fide group or association under the requirements of 29 C.F.R. § 2510.3-5 and
21 is formed by a sponsoring association that meets the following requirements:
22 a. Has a constitution or bylaws that provides for all of the following:
23 1. Regular meetings.
24 2. Collection of dues from members.
25 3. Operation by a board of trustees that consists of an owner,
26 partner, officer, director, or employee of at least one of the
27 employer members of the association.
28 b. Has at least one substantial business purpose unrelated to the offering
29 and providing of health insurance or other employee benefits to its
30 employer members and their employees.
31 c. Has a commonality of interest shared among the employers
32 comprising the Path 2 MEWA based on either of the following:



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- 1. Establishment by employers in the same trade, industry, line of business, or profession.
- 2. Being a statewide organization where each employer that is a member of the organization has a principal place of business that does not exceed the boundaries of the State or a metropolitan area that is at least partially within the State, even if that metropolitan area includes portions of other states.

(5) Sponsoring Association. – An association of two or more employer members that offers an employee welfare benefit plan as a Path 2 MEWA. For purposes of this Chapter, a sponsoring association that meets the requirements of this Article shall be deemed to be a large employer.";

and on page 2, line 13, by deleting "consists of" and replacing it with "includes".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

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