GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

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SENATE BILL DRS45132-NE-66

Short Title:	Insurance Producers/Exchange of Business. (1	Public)				
Sponsors:	Senators Corbin and Johnson (Primary Sponsors).					
Referred to:						
BETWE The Genera	A BILL TO BE ENTITLED LARIFYING THE LAWS RELATING TO THE EXCHANGE OF BUSI EN INSURANCE PRODUCERS. Assembly of North Carolina enacts: EECTION 1. G.S. 58-33-10 reads as rewritten:	INESS				
"§ 58-33-10. Definitions.						
As used in this Article, the following definitions apply:						
	"Exchange business," "exchange of business," or "proper exchange business" means the forwarding of insurance business from one produce licensed for the line of insurance being forwarded to another produce licensed for that line of insurance where both producers are appointed vinsurer that can accommodate the risk under conditions favorable insured. (4a)(4b) "FINRA" means the Financial Industry Regulatory Authority of the surface of the	er duly er duly vith an to the				
	successor entity.					
SECTION 2. G.S. 58-33-82 reads as rewritten: "§ 58-33-82. Commissions.						
(e) Commissions, fees, or other valuable consideration for the sale, solicitation, or negotiation of insurance may be assigned or directed to be paid in the following circumstances:						
<u>(</u>	To an agency principal who is an owner, shareholder, member, p director, employee, or agent of that agency for business placed by a proon behalf of that agency who is duly licensed and appointed as requitible section.	oducer				
<u>(</u> "	In connection with the exchange of business where both producers are licensed with appropriate company appointments and have complied wo of the requirements of G.S. 58-33-82.1.					
SECTION 3. Article 33 of Chapter 58 of the General Statutes is amended by adding						
a new section to read:						
"§ 58-33-82.1. Exchange of business. (a) Producers may exchange business, and split the commission involved with that						
<u>(a)</u> 1	roducers may exchange business, and split the commission involved with	u uial				



business, if the producer forwarding the business and the producer receiving the business both:

	General	Assem	bly Of North Carolina	Session 2025	
1		(1)	Are licensed in all lines of insurance involved in the excha	inge.	
2		<u>(2)</u>	Sign the insurer's insurance application or are otherwis	e disclosed to the	
3			insurer and the consumer.		
4		(3)	Have a good-faith belief that the exchange of business	complies with the	
5			requirements of this Article.	-	
6	<u>(b)</u>	This	section does not limit:		
7		<u>(1)</u>	The exchange of business among specialty lines, nonstanda	rd and professional	
8			liability business placed through a surplus lines produce	r or written on an	
9			excess rate or other individually rated risk basis.		
10		(2)	The exchange of business in connection with risk sharing t	olans."	
11		SEC	TION 4. This act is effective when it becomes law and a		
12	entered into or renewed on or after that date				

Page 2 DRS45132-NE-66