GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

HOUSE BILL 196

Short Title:	DOI License Processing Fees.	(Public)
Sponsors:	Representatives Dollar and Lucas (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Insurance.	

March 11, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THAT THE DEPARTMENT OF INSURANCE INCLUDE DIFFERENTIAL LICENSE PROCESSING FEES WHEN ISSUING ITS NEXT REQUEST FOR PROPOSAL FOR A LICENSING ADMINISTRATIVE SERVICES CONTRACT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-2-69(g) reads as rewritten:

"(g) The Commissioner may contract with the NAIC or other persons for the provision of online services to applicants and licensees, for the provision of administrative services, for the provision of license processing and support services, and for the provision of regulatory data systems to the Commissioner. The NAIC or other person with whom the Commissioner contracts may charge applicants and licensees a reasonable fee for the provision of online services, the provision of administrative services, the provision of license processing and support services, and the provision of regulatory data systems to the Commissioner. The fee shall be agreed to by the Commissioner and the other contracting party and shall be stated in the contract. <u>With respect to contracts between the Agent Services Division of the Department of Insurance and other contracting parties that include the provision of license application processing after the receipt of an application, the contract may allow the other contracting party the option to charge different fees based on the effort necessary to process licenses for each category of applicant or licensee provided services under the contract.</u> The fee is in addition to any applicable license application and renewal fees. Contracts for the provision of online services, contracts for the provision of administrative services, and contracts for the provision of regulatory data systems shall not be subject to Article 3, 3C, or 8 of Chapter 143 of the General Statutes or to Article 3D of Chapter 147 of the General Statutes. However, the Commissioner shall: (i) submit all proposed contracts for supplies, materials, printing, equipment, and contractual services that exceed one million dollars ($1,000,000) authorized by this subsection to the Attorney General or the Attorney General's designee for review as provided in G.S. 114-8.3; and (ii) include in all contracts to be awarded by the Commissioner under this subsection a standard clause which provides that the State Auditor and internal auditors of the Commissioner may audit the records of the contractor during and after the term of the agreement or contract to verify accounts and data affecting fees and performance. The Commissioner shall not award a cost plus percentage of cost agreement or contract for any purpose."

SECTION 2. This act is effective when it becomes law, and applies to any contract for license processing services entered into by the Department on or after that date.