

**§ 58-21-40. Surplus lines regulatory support organization.**

(a) The North Carolina Surplus Lines Association (NCSLA) shall serve as the regulatory support organization of surplus lines licensees and shall carry out the following functions:

- (1) Facilitate and encourage compliance by resident and nonresident surplus lines licensees with the laws of this State and the rules and regulations of the Commissioner relative to surplus lines insurance.
- (2) Communicate with organizations of admitted insurers with respect to the proper use of the surplus lines market.
- (3) Receive and disseminate to surplus lines licensees information about surplus lines insurance, including, without limitation, new electronic filing procedures approved by the Commissioner, changes in the list of eligible surplus lines insurers, and modifications in coverages, procedures, and requirements as may be requested by the Commissioner.
- (4) Establish and operate a stamping office to process all surplus lines insurance and remit premium taxes for those coverages under G.S. 58-21-85 by means satisfactory to the Commissioner, and charge surplus lines licensees a fee for such processing.

(b) The NCSLA shall file with the Commissioner all of the following:

- (1) A copy of its constitution, articles of agreement or association, or certificate of incorporation.
- (2) A copy of its bylaws and rules governing its activities.
- (3) Repealed by Session Laws 2019-179, s. 2(b), effective July 26, 2019.
- (4) The name and address of a resident of this State upon whom notices or orders of the Commissioner or processes issued at his direction may be served.
- (5) An agreement that the Commissioner may examine the NCSLA in accordance with subsection (c) of this section.

(c) The Commissioner may, at times deemed appropriate, make or cause to be made an examination of the NCSLA in which case the provisions of G.S. 58-2-131, 58-2-132, 58-2-133, 58-2-134, 58-2-150, 58-2-155, 58-2-180, 58-2-185, 58-2-190, 58-2-195, and 58-2-200 shall apply. If the Commissioner finds the NCSLA or any surplus lines licensee to be in violation of this Article, the Commissioner may issue an order requiring the discontinuance of the violation.

(d) Each surplus lines licensee shall maintain active membership in the NCSLA as a condition of continued licensure under this Article. (1985, c. 688, s. 1; 1987 (Reg. Sess., 1988), c. 975, s. 13; 1995, c. 193, s. 28; 1999-132, s. 11.3; 2001-203, s. 28; 2001-451, ss. 2.1, 2.2; 2001-487, s. 63; 2015-101, s. 3; 2018-120, s. 2.1(g); 2019-179, s. 2(b).)