

NORTH CAROLINA GENERAL ASSEMBLY
1971 SESSION

CHAPTER 1080
HOUSE BILL 1461

AN ACT TO AMEND ARTICLE 3 OF CHAPTER 58 AND CHAPTER 57 OF THE GENERAL STATUTES OF NORTH CAROLINA TO PROVIDE FOR NOTICE AND OPPORTUNITY TO BE HEARD ON REVOCATION OR SUSPENSION OF LICENSE OR CERTIFICATE OF AUTHORITY ISSUED BY THE COMMISSIONER OF INSURANCE.

The General Assembly of North Carolina enacts:

Section 1. Article 3 of Chapter 58 of the General Statutes of North Carolina is hereby amended by adding a new section thereto to be designated G.S. 58-44.4A and reading as follows:

"§ 58-44-4A. **Notice and hearing prior to revocation of license, etc.** — In all cases where a license may be suspended or revoked by the Commissioner of Insurance pursuant to the provisions of this chapter, such suspension or revocation of such license shall not be ordered until after notice and opportunity to be heard has been given such licensee."

Sec. 2. G.S. 57-12 is hereby amended by deleting from this section the sentence beginning in line 24 thereof reading as follows: "Licenses issued hereunder shall be subject to revocation by the Commissioner of Insurance for cause and if any person shall assume to act as an agent or broker without obtaining the license herein provided for, or makes any false statements or representations concerning the said hospital and/or medical and/or dental service, knowingly or willfully, he shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than one hundred dollars (\$100.00) nor more than five hundred dollars (\$500.00) for each offense.", and substituting in lieu thereof in said section the following sentence:

"Licenses issued hereunder shall be subject to revocation by the Commissioner of Insurance for cause after notice and hearing and if any person shall assume to act as an agent or broker without obtaining the license herein provided for, or makes any false statements or representations concerning the said hospital and/or medical and/or dental service, knowingly or willfully, he shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than one hundred dollars (\$100.00) nor more than five hundred dollars (\$500.00) for each offense."

Sec. 3. G.S. 57-13 is hereby amended by rewriting the first sentence of this section to read as follows:

"Whenever the Commissioner of Insurance shall find as a fact that any corporation subject to the provisions of this chapter, is being operated for profit or fraudulently conducted, or is not complying with the provisions of this chapter, he shall be authorized to revoke the certificate of authority or license theretofore granted after notice and hearing, and may at any time thereafter institute or cause to be instituted the necessary proceedings under the laws of this State looking to the dissolution of such corporation, and any dissolution, liquidation, merger, or reorganization of a corporation or corporations subject to the provisions of this chapter shall be under the supervision of the Commissioner of Insurance who shall have all powers with respect thereto granted to him under the insurance laws of this State."

Sec. 4. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 21st day of July, 1971.