GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2009

S SENATE BILL 780

	Short Title:	Struc. Settlement Annuities/Ins. Guar. Assn.	(Public)			
	Sponsors:	Senator Berger of Franklin.				
	Referred to:	Commerce.				
		March 25, 2009				
1		A BILL TO BE ENTITLED				
2	AN ACT TO	O EXPAND COVERAGE UNDER THE INSURANCE G	UARANTY			
3	ASSOCIATION WITH RESPECT TO STRUCTURED SETTLEMENT ANNUITIES					
4	FOR MATTERS INVOLVING PERSONAL INJURY OR ILLNESS.					
5		ssembly of North Carolina enacts:				
6	SECTION 1. G.S. 58-62-16 is amended by adding a new subdivision to read:					
7		7a) 'Structured settlement annuities' means any annuity benefits p				
8		person by an insurer under an annuity contract issued to fund, in				
9		part, a settlement agreement for a matter involving personal inju				
10		including any settlement agreement permitted under Chapte	r 97 of the			
11		General Statutes."				
12	SEC	CTION 2. G.S. 58-62-21(a) reads as rewritten:				
13	"§ 58-62-21. C	Coverage and limitations.				
14	(a) This Article provides coverage for the policies and contracts specified in subsection					
15	(b) of this secti	on:				
16	(1)	To persons other than persons specified in subdivisions (3) an	d (4) of this			
17		subsection who, regardless of where they reside (except for	nonresident			
18		certificate holders under group policies), are the beneficiaries, a	assignees, or			
19		payees of the persons covered under subdivision (2) of this	subsection,			
20		andsubsection;				
21	(2)	To persons other than persons specified in subdivisions (3) an				
22		subsection who are owners or certificate holders under the polic	ies, or in the			
23		case of unallocated annuity contracts to the persons who are				
24		holders, and who are residents of this State, or who are not resi				
25		State, but only under all of the following conditions: (i) the				
26		issued the policies are domiciled in this State; (ii) the insurers	never held a			
27		license in the states in which the persons reside; (iii) the				
28		associations similar to the association created by this Article;	, ,			
29		persons are not eligible for coverage by the associations.associat				
30	<u>(3)</u>	To persons who are payees (or beneficiaries of payees if the				
31		deceased) under structured settlement annuities if the payees are				
32		this State, regardless of where the contract owners of the	e structured			
33		settlement annuities reside; and				
34	<u>(4)</u>	To persons who are payees (or beneficiaries of payees if the				
35		deceased) under structured settlement annuities if the pay-				
36		residents of this State, but only under both of the following cond	<u>itions:</u>			



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1	<u>a.</u>	The contract owners of the structured settlement annuities are
2		residents of this State or, if not residents of this state, (i) the insurers
3		that issued the structured settlement annuities are domiciled in this
1		State and (ii) the state in which the contract owners reside has an
5		association similar to the Association created by this Article.
5	<u>b.</u>	Neither the payees (or beneficiaries of payees if the payees are
7		deceased) nor the contract owners of the structured settlement
3		annuities are eligible for coverage by an association of the state in
)		which the payees or contract owners reside."
)	SECTION 3.	This act is effective when it becomes law and applies to claims
l	submitted to the Insurance	e Guaranty Association on or after that date.