



This Bill Analysis reflects the contents of the bill as it was presented in committee.

SENATE BILL 123: Certificate of Insurance Clarifications.

2023-2024 General Assembly

Committee:	Senate Commerce and Insurance. If favorable, re-refer to Rules and Operations of the Senate	Date:	March 28, 2023
Introduced by:	Sen. Johnson	Prepared by:	Karyl Smith
Analysis of:	First Edition		Committee Co-Counsel

OVERVIEW: Senate Bill 123 would prohibit any person from knowingly preparing, issuing, requesting, or requiring a certificate of insurance that includes information not in the underlying policy.

CURRENT LAW: A certificate of insurance is a document prepared or issued exclusively by an insurance company or licensed producer that is used to verify or evidence the existence of property or casualty insurance coverage.

G.S. 58-3-149(c) makes it unlawful for any person to knowingly prepare, issue, request, or require a certificate of insurance that meets any of the following criteria:

- Has not been filed with and approved by the Commissioner of Insurance.
- Contains any false or misleading information concerning the policy of insurance to which the certificate of insurance makes reference.
- Purports to alter, amend, or extend the coverage provided by the policy of insurance to which the certificate of insurance makes reference.

BILL ANALYSIS: Senate Bill 123 would add a new criterion to G.S. 58-3-149(c) that prohibits any person from knowingly preparing, issuing, requesting, or requiring a certificate of insurance that includes information not contained in the underlying insurance policy.

EFFECTIVE DATE: This bill would become effective October 1, 2023.

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919-301-1976