

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 654

Short Title: Confidential Insurance Mkt./Financial Doc.-AB

(Public)

Sponsors: Representative Holliman.

Referred to: Insurance.

March 16, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO ENHANCE THE CONFIDENTIAL TREATMENT OF INSURANCE
3 MARKET CONDUCT ANALYSIS AND FINANCIAL ANALYSIS FILES.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Article 2 of Chapter 58 of the General Statutes is amended by
6 adding the following new section to read:

7 "**§ 58-2-240. Market conduct analysis, financial analysis, and related information**
8 **not public record.**

9 Notwithstanding any other provision of law, all market conduct analysis and
10 financial analysis documents, ratios, programs, findings, or other information, and
11 copies thereof produced by, obtained by, or disclosed to the Commissioner or any other
12 person in connection with a market conduct analysis or financial analysis shall be
13 confidential, are not subject to subpoena, and shall not be made public by the
14 Commissioner or any other person, except as provided in this section, G.S. 58-2-128,
15 and G.S. 58-2-132(g) through (j). The Commissioner may use these documents,
16 materials, findings, or other information in the furtherance of any regulatory or legal
17 action brought as part of the Commissioner's official duties.

18 If the Commissioner determines that the interest of an insurer's policyholders or the
19 public will be served by the publication of these documents, materials, findings, or other
20 information, the Commissioner may, after giving the insurer notice and opportunity to
21 be heard, publish all or any part thereof in such a manner as the Commissioner deems
22 appropriate."

23 SECTION 2. G.S. 58-2-132(f) reads as rewritten:

24 "(f) All working papers, information, documents, and copies thereof produced by,
25 obtained by, or disclosed to the Commissioner or any other person in connection with
26 an ~~examination~~ examination, market conduct analysis, or financial analysis shall be
27 given confidential treatment, are not subject to subpoena, and shall not be made public
28 by the Commissioner or any other person. The Commissioner may use the documents,

1 materials, or other information in the furtherance of any regulatory or legal action
2 brought as part of the Commissioner's official duties."

3 **SECTION 3.** This act becomes effective October 1, 2005.