



# TEMPORARY RULE-MAKING FINDINGS OF NEED

[Authority G.S. 150B-21.1]

OAH USE ONLY

VOLUME:

ISSUE:

1. Rule-Making Agency:

2. Rule citation & name:

3. Action: ☐ Adoption ☐ Amendment ☐ Repeal

4. Was this an Emergency Rule: ☐ Yes ☐ No Effective date:

5. Provide dates for the following actions as applicable:

a. Proposed Temporary Rule submitted to OAH:

b. Proposed Temporary Rule published on the OAH website:

c. Public Hearing date:

d. Comment Period:

e. Notice pursuant to G.S. 150B-21.1(a3)(2):

f. Adoption by agency on:

g. Proposed effective date of temporary rule [if other than effective date established by G.S. 150B- 21.1(b) and G.S. 150B-21.3]:

6. Reason for Temporary Action. Attach a copy of any cited law, regulation, or document necessary for the review.

- ☐ A serious and unforeseen threat to the public health, safety or welfare.
- ☐ The effective date of a recent act of the General Assembly or of the U.S. Congress.  
Cite:  
Effective date:
- ☐ A recent change in federal or state budgetary policy.  
Effective date of change:
- ☐ A recent federal regulation.  
Cite:  
Effective date:
- ☐ A recent court order.  
Cite order:
- ☐ Other:

Explain:

7. Why is adherence to notice and hearing requirements contrary to the public interest and the immediate adoption of the rule is required?

8. Rule establishes or increases a fee? (See G.S. 12-3.1)

☐ Yes

Agency submitted request for consultation on:

Consultation not required. Cite authority:

☐ No

9. Rule-making Coordinator:

Phone:

E-Mail:

Agency contact, if any:

Phone:

E-Mail:

10. Signature of Agency Head\*:

*Mike Causey*

\* If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.

Typed Name:

Title:

E-Mail:

**RULES REVIEW COMMISSION USE ONLY**

Action taken:

Submitted for RRC Review:

☐ Date returned to agency:

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Department of Insurance

RULE CITATION: 11 NCAC 18 .0102 Temporary

**DEADLINE FOR RECEIPT: March 21, 2025**

**PLEASE NOTE:** *This request may extend to several pages. Please be sure you have reached the end of the document.*

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Line 4: Define “adequate documentation” or state the criteria which will be used in determining whether documentation is “adequate.”*

*Lines 4-5: Is not Section 501(c)(6) within Section 501(c)?*

*Line 8: Is “rate stability” a defined term? What criteria is used in determining whether the interest or profits are used for “rate stability”?*

*Line 23: Only one period is necessary.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

1 11 NCAC 18 .0102 is proposed for amendment under temporary procedures as follows:

2  
3 **11 NCAC 18 .0102 GENERAL ELIGIBILITY**

4 (a) Each MEWA shall provide to the Commissioner adequate documentation that the exemption under Section 501(c)  
5 or Section 501(c)(6) of the Internal Revenue Code has been granted, or that the MEWA will operate solely for the  
6 benefit of the members of the MEWA. Any profits from the operation of the MEWA shall be invested in securities  
7 as allowed by G.S. 58-7-160 through G.S. 58-7-200, and the interest or other profits accrued or received thereon shall  
8 be used to provide rate stability or provide other such benefits for the members to which the trustees and the  
9 Commissioner agree; and the trust agreement shall so state.

10 (b) Each MEWA shall be established by a trade association, industry association, ~~or professional association.~~  
11 professional association, or chamber association.

12 (c) As used in this Rule:

13 (1) "Industry association" means member employers who are in the same major group code, as defined  
14 by the Standard Industrial Classification Manual issued by the Executive Office of the President,  
15 Office of Management and Budget; unless restricted by Subparagraph (c)(2) or (3) of this Rule.

16 (2) "Professional association" means member employers who are of the same type of profession, such  
17 as physicians, dentists, accountants, lawyers, or architects; but is not limited to those professions.  
18 However, the profession must be one that is recognized by the required licensing agency.

19 (3) "Trade association" means member employers who are in the same type of trade, such as plumbers  
20 or electricians; and any others that are trade designations as recognized by the required licensing  
21 agency.

22 (4) "Chamber association" means a statewide chamber of commerce or business league that meets all  
23 of the criteria listed in G.S. 58-50A-70(a)(2)c..

24 (d) The feasibility study required by G.S. ~~58-49-50(7)-58-50A-80(7)~~ shall disclose all material assumptions.

25  
26 *History Note: Authority G.S. 58-2-40(1); ~~58-49-40; 58-49-50; 58-50A-70, 58-50A-80;~~*

27 *Eff. August 3, 1992;*

28 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December*  
29 *16, 2014.*