



NORTH CAROLINA: COLLECTORS MUST OFFER PAYMENT DEFERRALS FOR COVID-19

North Carolina's Department of Insurance issued a bulletin on March 27, 2020 requiring collection agencies and other licensees to give consumers the option to defer payments that are due during the COVID-19 disaster. This deferral is for 30 days from the last day the debt payment or premium may be made under the terms of the contract or policy.

The authority to issue the bulletin comes from Section 58-2-46, which applies whenever a state of disaster is proclaimed for North Carolina or for an area within North Carolina under the gubernatorial disaster declaration statute or whenever the President of the United States has issued a major disaster declaration for North Carolina or for an area within North Carolina under the Stafford Act, and if the Commissioner issues an order declaring Section 58-2-46(1) through Section 58-2-46(3) effective for the public disaster. The order cites to both the Commissioner's order invoking Sections 58-2-46(1) through 58-2-46(3) effective March 27, 2020 and President Trump's Major Disaster Declaration for the State of North Carolina on March 25, 2020.

North Carolina Section 58-2-56 requires that collection agencies (among other entities) give their customers who reside in the geographic area designated in the disaster proclamation or declaration the option of deferring premium or debt payments that are due during the earlier of (i) the time period covered by the proclamation or declaration or (ii) the time period prior to the expiration of the Commissioner's order declaring the section effective for the specific disaster. □

✧ *Mike Tomkies and Emily Cellier*

Darrell L. Dreher
ddreher@dtlaw.com

Elizabeth L. Anstaett
eanstaett@dtlaw.com

Emily C. Cellier
ecellier@dtlaw.com

Susan L. Ostrander
sostrander@dtlaw.com

2750 HUNTINGTON CENTER
41 S. HIGH STREET
COLUMBUS, OHIO 43215
TELEPHONE: (614) 628-8000 FACSIMILE: (614) 628-1600
WWW.DTLAW.COM

To see previously sent ALERTS, visit our website at www.dtlaw.com

To decline future ALERTS, please contact us at ALERTS@DLTLAW.COM. This ALERT has been prepared for informational purposes only. It does not constitute legal advice and does not create an attorney-client relationship.

Michael C. Tomkies
mtomkies@dtlaw.com

Susan M. Seaman
sseaman@dtlaw.com

Lindsay P. Valentine
lvalentine@dtlaw.com

Judith M. Scheiderer
jscheiderer@dtlaw.com

Robin R. De Leo
robin@deher-la.com