

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 18*

Short Title: Motor Vehicle Repairs.

(Public)

Sponsors: Senator Carpenter.

Referred to: Insurance & Consumer Protection.

January 30, 2001

A BILL TO BE ENTITLED

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2 AN ACT TO PROHIBIT INSURANCE COMPANIES FROM ENCOURAGING
3 INSURANCE CLAIMANTS TO OBTAIN MOTOR VEHICLE REPAIR
4 SERVICES FROM PARTICULAR SOURCES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 58-3-180 reads as rewritten:

7 "**§ 58-3-180. Motor vehicle repairs; selection by claimant.**

8 (a) A policy covering damage to a motor vehicle shall allow the claimant to
9 select the repair service or source for the repair of the damage.

10 (a1) No insurer or insurer representative shall recommend, or in any way
11 encourage, a claimant use a particular motor vehicle repair service or source for the
12 purpose of obtaining (i) an estimate of the cost of repairs to a damaged motor vehicle, or
13 (ii) repair services to a damaged motor vehicle. No insurer or insurer representative
14 shall inform the claimant that the insurer will guarantee repairs performed by one or
15 more particular repair services or sources but not by other repair services or sources.

16 (b) The amount determined by the insurer to be payable under a policy covering
17 damage to a motor vehicle shall be paid regardless of the repair service or source
18 selected by the claimant.

19 (c) Any person who violates this section is subject to the applicable provisions of
20 G.S. 58-2-70 and G.S. 58-33-45, provided that the maximum civil penalty that can be
21 assessed under G.S. 58-2-70(d) for a violation of this section is two thousand dollars
22 (\$2,000).

23 (d) As used in this section, 'insurer representative' includes an insurance agent,
24 limited representative, broker, adjuster, and appraiser."

25 **SECTION 2.** This act becomes effective October 1, 2001.