

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 899

Short Title: Motor Vehicle Glass Repairs.

(Public)

Sponsors: Senator Wellons.

Referred to: Insurance and Consumer Protection.

April 5, 2001

1 A BILL TO BE ENTITLED
2 AN ACT TO PROHIBIT COUPONING OR WAIVING OF DEDUCTIBLES IN
3 MOTOR VEHICLE GLASS REPAIRS.

4 The General Assembly of North Carolina enacts:

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

6 "**§ 58-3-180. Motor vehicle repairs; selection by claimant.**

7 (a) A policy covering damage to a motor vehicle shall allow the claimant to
8 select the repair service or source for the repair of the ~~damage.~~ damage, including the
9 repair service or source for the repair or replacement of automobile glass.

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

13 (c) Any person who violates this section is subject to the applicable provisions of
14 G.S. 58-2-70 and G.S. 58-33-45, provided that the maximum civil penalty that can be
15 assessed under G.S. 58-2-70(d) for a violation of this section is two thousand dollars
16 (\$2,000)."

17 **SECTION 2.** Article 1 of Chapter 75 of the General Statutes is amended by
18 adding a new section to read:

19 "**§ 75-36. Restrictions on automobile glass repair or replacement.**

20 No person, business, or other legal entity doing business in this State that installs,
21 repairs, or replaces automobile glass knowingly shall engage in any of the following
22 acts:

23 (1) Offer to finance payment of a customer's deductible on terms different
24 from terms offered to customers not making an insurance claim.

25 (2) Engage in a pattern or practice, on more than an occasional or isolated
26 instance, of promising or offering to provide any credit, incentive, gift,
27 rebate, or special financing arrangement in satisfaction of all or part of

1 an insurance deductible or co-payment owed by an insured under a
2 policy of insurance.

3 (3) Advertise, promote, or represent by any media, telemarketers, or
4 others, that services are 'free' if in fact an insurer will pay for the
5 service or advertise or make offers for the purpose of soliciting a claim
6 against a property or casualty insurer.

7 (4) Engage in a pattern or practice, on more than an occasional or isolated
8 instance, of offering to defer collection of, discount, or issue a
9 repayment of a customer's deductible based in whole, or in part, on the
10 availability of insurance coverage.

11 (b) A violation of this section shall be considered an unfair trade practice, as
12 prohibited by G.S. 75-1.1.

13 (c) Any person who suffers an economic loss as a result of the violation of this
14 section may bring an action to recover damages in the General Court of Justice. Actions
15 brought pursuant to this section shall be tried in the county where the violation occurred
16 or in any county where the defendant resides or conducts, transacts, or has transacted
17 business."

18 **SECTION 3.** This act becomes effective October 1, 2001, and applies to
19 business transactions occurring on or after that date.