

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

3

HOUSE BILL 986
Committee Substitute Favorable 4/29/03
Third Edition Engrossed 4/30/03

Short Title: MV Insurer To Disclose Financial Interest.

(Public)

Sponsors:

Referred to:

April 9, 2003

A BILL TO BE ENTITLED

AN ACT TO REQUIRE A MOTOR VEHICLE INSURER TO DISCLOSE ANY
FINANCIAL INTEREST IN A RECOMMENDED REPAIR FACILITY OR
SERVICE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-3-180(b1) reads as rewritten:

"(b1) No insurer or insurer representative shall recommend the use of a particular motor vehicle repair service without clearly informing the claimant that (i) the claimant is under no obligation to use the recommended repair service, (ii) the claimant may use the repair service of the claimant's choice, ~~and~~ (iii) the amount determined by the insurer to be payable under the policy will be paid regardless of whether or not the claimant uses the recommended repair ~~service~~ service, and (iv) that the insurer or insurer representative has, at the time the recommendations are made, a financial interest in the recommended motor vehicle repair service. As used in this subsection, the term 'financial interest' includes any direct repair or preferred repair facility where the insurer has a contract to receive discounts on parts, labor, or for any other financial concession. No insurer shall require the insured or claimant to have his vehicle repaired at an insurer-owned shop."

SECTION 2. This act is effective when it becomes law.