

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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SENATE DRS55013-LK-11 (1/14)

Short Title: Motor Vehicle Glass Repairs.

(Public)

Sponsors: Senator Carpenter.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT COUPONING OR WAIVING OF DEDUCTIBLES IN  
MOTOR VEHICLE GLASS REPAIRS AND AUTOMOTIVE COLLISION  
REPAIR.

The General Assembly of North Carolina enacts:

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

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

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

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

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

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

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

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

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

- 1           (2)   Promising or offering to provide any credit, incentive, gift, rebate, or  
2           special financing arrangement in satisfaction of all or part of an  
3           insurance deductible or co-payment owed by an insured under a policy  
4           of insurance.
- 5           (3)   Advertise, promote, or represent by any media, telemarketers, or  
6           others, that services are 'free' if in fact an insurer will pay for the  
7           service or advertise or make offers for the purpose of soliciting a claim  
8           against a property or casualty insurer.
- 9           (4)   Engage in offering to defer collection of, discount, or issue a  
10          repayment of a customer's deductible based in whole, or in part, on the  
11          availability of insurance coverage.
- 12          (b)   A violation of this section shall be considered an unfair trade practice, as  
13          prohibited by G.S. 75-1.1.
- 14          (c)   Any person who suffers an economic loss as a result of the violation of this  
15          section may bring an action to recover damages in the General Court of Justice. Actions  
16          brought pursuant to this section shall be tried in the county where the violation occurred  
17          or in any county where the defendant resides or conducts, transacts, or has transacted  
18          business."
- 19                **SECTION 3.** This act is effective when it becomes law.