

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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HOUSE BILL 1152

Short Title: Installing MV Parts and Air Bags.

(Public)

Sponsors: Representative Cole.

Referred to: Insurance.

April 10, 2003

A BILL TO BE ENTITLED

AN ACT PROHIBITING AN INSURER FROM AUTHORIZING OR REQUIRING
THE USE OF NONORIGINAL CRASH REPAIR PARTS FOR MOTOR
VEHICLE REPAIRS WITHOUT CONSENT FROM THE INSURED OR
CLAIMANT AND PROHIBITING THE NONREPLACEMENT OF AIR BAGS.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 58 of the General Statutes is amended by adding a
new section to read:

"§ 58-36-90. Use of nonoriginal crash repair parts.

(a) As used in this section, the following definitions apply:

(1) 'Insurer' includes any person authorized to represent an insurer with
respect to a claim.

(2) 'Nonoriginal crash repair part' means a part for a motor vehicle made
or remanufactured by a company other than the original manufacturer
or a licensed affiliate and is limited only to the following: metal,
fiberglass, or plastic motor vehicle crash repair parts; hood; fender;
radiator support; cowl panel; doors; roof; rocker panel; quarter panel;
trunk lid; and auto glass (including windshields).

(b) An insurer may not authorize or require the installation of a nonoriginal crash
repair part on a motor vehicle without first obtaining the written consent of the insured
or other claimant. The consent shall be verified by the insured's or other claimant's
signature on the repair estimate, appraisal, or work order.

(c) An insurer shall notify the insured or claimant anytime, in writing, that a
nonoriginal crash repair part or auto glass is installed.

(d) It is insurance fraud for any installer, automobile repair facility, or parts
person to install a nonoriginal crash repair part, windshield, or nonoriginal auto glass on
a motor vehicle and submit a charge or invoice for an original repair part.

1 (e) Any insurer or other person who has reason to believe that a violation of this
2 section has occurred shall report that fraud to the Commissioner for further action
3 pursuant to G.S. 58-2-160.

4 (f) A violation of the provisions of this section is punishable by a fine of five
5 thousand dollars (\$5,000) per offense."

6 **SECTION 2.** Chapter 20 of the General Statutes is amended by adding a
7 new section to read:

8 **"§ 20-136.2. Air bag installation.**

9 (a) It shall be unlawful for any person, firm, or corporation to knowingly install
10 or reinstall as part of the vehicle inflation restraints system any object in lieu of an air
11 bag that was designed in accordance with federal safety regulations for the make,
12 model, and model year of the vehicle.

13 (b) Any person, firm, or corporation violating this section shall be guilty of a
14 Class 1 misdemeanor."

15 **SECTION 3.** This act becomes effective December 1, 2003, and applies to
16 offenses committed on or after that date.