

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 1138

Short Title: Motor Vehicle Glass Repairs.

(Public)

Sponsors: Senators Brock; East and Garwood.

Referred to: Commerce.

March 24, 2005

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

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~~. damage, including the
10 repair service or source for the repair or replacement of automobile glass or collision
11 repair.

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

15 (c) Any person who violates this section is subject to the applicable provisions of
16 G.S. 58-2-70 and G.S. 58-33-45, provided that the maximum civil penalty that can be
17 assessed under G.S. 58-2-70(d) for a violation of this section is two thousand dollars
18 (\$2,000)."

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

21 "**§ 75-36. Restrictions on automobile glass repair or replacement.**

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

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

27 (2) Promising or offering to provide any credit, incentive, gift, rebate, or
28 special financing arrangement in satisfaction of all or part of an

- 1 insurance deductible or co-payment owed by an insured under a policy
2 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 offering to defer collection of, discount, or issue a
8 repayment of a customer's deductible based in whole, or in part, on the
9 availability of insurance coverage.
10 (b) A violation of this section shall be considered an unfair trade practice, as
11 prohibited by G.S. 75-1.1.
12 (c) Any person who suffers an economic loss as a result of the violation of this
13 section may bring an action to recover damages in the General Court of Justice. Actions
14 brought pursuant to this section shall be tried in the county where the violation occurred
15 or in any county where the defendant resides or conducts, transacts, or has transacted
16 business."
17 **SECTION 3.** This act is effective when it becomes law.