

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 922
Second Edition Engrossed 5/10/91

Short Title: Lienholder Notified - Prop. Settle.

(Public)

Sponsors: Representative Fletcher.

Referred to: Judiciary III.

April 19, 1991

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THAT A MOTOR VEHICLE LIABILITY POLICY SHALL
REQUIRE THAT THE LIENHOLDER BE NOTIFIED OF SETTLEMENT OF AN
INSURED'S PROPERTY CLAIMS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-279.21 is amended by adding a new subsection to read:

"(1) Any motor vehicle liability policy shall provide that the primary lienholder listed on the title of an insured motor vehicle shall be notified, at least 10 days in advance, of the issuance of a property damage settlement check in excess of one thousand dollars (\$1,000) to an insured or, if the prior notice is not made, that the settlement check be made payable to the insured and that lienholder. This section does not apply to liens recorded after the date of the accident causing the property damage."

Sec. 2. This act becomes effective October 1, 1991.