

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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HOUSE BILL 1329

Short Title: MV Insurers-No Mandate/Nonoriginal Crash Parts. (Public)

Sponsors: Representatives Carpenter, Teague, and West.

Referred to: Insurance.

April 12, 2001

A BILL TO BE ENTITLED

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2 AN ACT PROHIBITING AN INSURER FROM AUTHORIZING OR REQUIRING
3 THE USE OF NONORIGINAL CRASH REPAIR PARTS FOR MOTOR
4 VEHICLE REPAIRS WITHOUT THE WRITTEN CONSENT FROM THE
5 INSURED OR CLAIMANT.

6 The General Assembly of North Carolina enacts:

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

9 **"§ 58-36-105. Use of nonoriginal crash repair parts.**

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

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

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

19 (b) An insurer may not authorize or require the use of a nonoriginal crash repair
20 part on a motor vehicle that is five years old or newer without first obtaining the written
21 consent of the insured or other claimant, verifiable by the insured's or other claimant's
22 signature on the repair estimate, appraisal, or work order.

23 (c) An insurer or automotive body repair facility shall notify the customer
24 anytime that a nonoriginal crash repair part is to be installed.

25 (d) It is insurance fraud for any insurer, automobile repair facility, or parts person
26 to place a nonoriginal crash repair part on a motor vehicle and to submit an invoice for
27 an original repair part.

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

4 (f) A violation of the provisions of this act is punishable by a fine of two
5 thousand dollars (\$2,000)."

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