

February 20, 2003

**S 107. MV INSURERS-NO MANDATE ON NONORIGINAL PARTS. PROHIBITING AN INSURER FROM AUTHORIZING OR REQUIRING THE USE OF NONORIGINAL CRASH REPAIR PARTS OR NONORIGINAL AUTO GLASS FOR MOTOR VEHICLE REPAIRS WITHOUT THE WRITTEN CONSENT FROM THE INSURED OR CLAIMANT.** Meets new GS 58-36-90 to prohibit insurers from authorizing or requiring the use of a nonoriginal crash repair part for motor vehicle repairs without the written consent of the insured or claimant. Provides that the placement of a nonoriginal crash repair part and the billing for an original repair part constitutes insurance fraud and requires certain persons to report such fraud. Establishes a monetary penalty for violations.

**Intro. by Carpenter.**

Ref. to Commerce	GS 58
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April 17, 2003

**S 107. MV INSURERS-NO MANDATE ON NONORIGINAL PARTS.** Intro. 2/20/03. Senate committee substitute makes the following changes to 1st edition. Deletes provision that insurers may not authorize or require the use of nonoriginal crash repair part on a vehicle five years old or newer without the written consent of the owner. Retains requirement that insurers notify owners in writing when such parts or nonoriginal auto glass is used. Adds amendment to GS 58-36-41 to require that the Rate Bureau develop a policy endorsement that permits policy holders to elect coverage specifying the exclusive use of original equipment manufactured crash parts. Changes effective date to Oct. 1, 2003.