

March 18, 2009

S 660. AUTO INSURANCE/DIMINUTION IN VALUE. Filed 3/18/09. *TO REQUIRE COVERAGE FOR DIMINUTION IN VALUE AS A PART OF MOTOR VEHICLE LIABILITY INSURANCE PROPERTY COVERAGE.*

Amends GS 20-279.21 to require that a motor vehicle liability policy provide coverage for diminished value of a motor vehicle after it has been repaired. Provides for a procedure to settle a disagreement between the claimant and the insurer regarding the diminished value of the motor vehicle through the use of appraisers and an umpire, if necessary. Amends GS 7A-292 to authorize that a magistrate may appoint an umpire to determine motor vehicle liability policy diminution in value. Effective for motor vehicle insurance policies issued or renewed on or after October 1, 2009.

Intro. by Rucho.

GS 7A, 20

May 12, 2009

S 660. AUTO INSURANCE/DIMINUTION IN VALUE. Filed 3/18/09. House committee substitute makes the following changes to 1st edition. Modifies proposed new GS 20-279.21(d), providing an alternative method for determining motor vehicle property damage when coverage for the claim is not in dispute (was, motor vehicle liability policy must provide coverage for the diminished value of a motor vehicle after it has been repaired). Provision applies if the difference in the claimant's and insurer's estimates of fair market value is greater than \$2,500 and the claimant and insurer fail to agree as to the difference in fair market value before and after the accident. Modifies effective date provision to provide that it is effective January 1, 2010 (was, October 1, 2009) and applies to policies issued or removed on or after that date. Makes clarifying changes. Makes a conforming change to the title.

June 29, 2009

S 660. AUTO INSURANCE/DIMINUTION IN VALUE. Filed 3/18/09. House committee substitute makes the following changes to 2nd edition. Amends GS 20-279.21(d1)(2) to provide that if the appraisers cannot agree on an umpire within 15 days, either the claimant or the insurer may request that a magistrate, resident in the county where the vehicle is registered or in the county where the accident occurred, select the umpire.

July 14, 2009

S 660. AUTO INSURANCE/DIMINUTION IN VALUE. Filed 5/18/09. House committee substitute makes the following changes to 3rd edition. Amends subsection (2) of proposed to GS 20-279.21(d1) to require a motor vehicle liability policy to provide that a claimant or insurer who disagrees as to the fair market retail value of the vehicle immediately before and after the accident may make a written demand to select a competent and disinterested appraiser if the difference in the claimant's and the insurer's estimate of fair market retail value is greater than (1) \$2,000 or (2) 25% of the fair market retail value of the vehicle *prior to the accident*, as determined by the latest edition of the National Automobile Dealers Association Pricing Guide Book or other publications approved by the Commissioner of Insurance, whichever is less (was, if the difference in the claimant's and insurer's estimate of fair market value is greater than \$2,500). Replaces the term *fair market value* with *fair market retail value*. Defines *appraiser* and *umpire* as used in this section to mean a person who as a part of that person's regular employment is in the business of advising relative to the nature and amount of motor vehicle damage and the fair market retail value of damaged and undamaged motor vehicles (was, appraiser and umpire mean a motor damage appraiser licensed by the Department of Insurance).

Changes the effective date of the act to August 1, 2010 (was, July 1, 2010) and provides that the act applies to motor vehicle liability insurance policies issued or renewed on or after that date.

July 15, 2009

S 660. AUTO INSURANCE/DIMINUTION IN VALUE. Filed 3/18/09. House amendment makes the following changes to 4th edition. Clarifies in proposed GS 20-279.21(d1)(2) that a motor

vehicle liability policy must provide that if the difference in the claimant's and the insurer's estimate of *the diminution in* fair market value is greater than \$2,000 or 25% of the fair market value of the vehicle prior to the accident as determined by the specified sources, whichever is less, then on written demand of either the claimant or the insurer each must select a competent and disinterested appraiser and notify the other of the selected appraiser within 20 days after the demand when other specified conditions are met.

July 16, 2009

S 660. AUTO INSURANCE DIMINUTION IN VALUE. Filed 3/18/09. House amendment makes the following changes to 4th edition, as amended. Amends proposed GS 20-279.21(d1)(2) to provide that if the umpire determines the amount of loss exceeds the insurer's original estimate of diminution in fair market value, the insurer must pay the appraisers, the expenses of appraisal, and the umpire.

July 29, 2009

S 660. AUTO INSURANCE/DIMINUTION IN VALUE. Filed 3/18/09. Conference report recommends the following changes to 5th edition to reconcile matters in controversy. Amends proposed GS 20-279.21(d1)(2) by deleting the requirement that the insurer pay the appraisers and expenses, and the umpire, if the umpire determines that the amount of loss exceeds the insurer's original estimate of diminution in fair market value. Changes the effective date from August 1, 2010, to October 1, 2009.