

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE DRH70301-MH-62 (3/11)

Short Title: Insurance Premium Discount/Prevention Course.

(Public)

Sponsors: Representative Underhill.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR AUTOMOBILE INSURANCE PREMIUM DISCOUNTS OF
3 AT LEAST TEN PERCENT FOR CERTAIN PERSONS WHO COMPLETE ACCIDENT
4 PREVENTION COURSES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 36 of Chapter 58 of the General Statutes is amended by
7 adding a new section to read:

8 "**§ 58-36-66. Private passenger motor vehicle insurance premium rate reduction for**
9 **completion of accident prevention course.**

10 (a) The classification plan promulgated pursuant to G.S. 58-36-65 shall provide for a
11 reduction in premium rates of at least ten percent (10%) for liability and physical damage
12 coverages to those insureds 55 years of age or older who successfully complete motor vehicle
13 accident prevention courses approved by the Commissioner of Motor Vehicles. Those insureds
14 shall qualify for the reduction for a three-year period after the policy issuance or renewal that
15 follows the completion of the course. Each insured shall successfully complete an approved
16 course every three years to be eligible for the reduction.

17 (b) Upon successfully completing an approved course, each insured shall be issued a
18 completion certificate by the course's sponsor, on a form approved by the Commissioner of
19 Motor Vehicles, which shall be the only acceptable evidence of qualification for the reduction
20 in rates.

21 No reduction in rates shall be allowed for any of the following:

22 (1) Self-instructed courses.

23 (2) Courses that do not provide actual classroom instruction for the minimum
24 number of hours prescribed by the Commissioner of Motor Vehicles.

25 (3) Any course required to be taken by:

26 a. A court order;

27 b. A Division of Motor Vehicles order or regulation; or

28 c. A statutory mandate.

29 (c) An insured who has more than two Safe Driver Incentive Plan points assessed
30 against the insured is not eligible for the reduction in premium rates provided for in this
31 section. The insured's ineligibility shall continue until the insured no longer has more than two
32 Safe Driver Incentive Plan points and the insured successfully completes an approved course.

33 (d) Insurers that write nonfleet private passenger motor vehicle insurance may deviate
34 from the reduction promulgated by the Bureau and approved by the Commissioner to provide a
35 greater discount as approved by the Commissioner.



1 (e) The provisions of this section shall not apply to rates used on motor vehicle
2 insurance policies reinsured by the North Carolina Motor Vehicle Reinsurance Facility under
3 Article 37 of this Chapter."

4 **SECTION 2.** The North Carolina Rate Bureau shall promulgate a revision to the
5 classification plan to implement this act. The Bureau shall file the revision with the
6 Commissioner of Insurance no later than September 1, 2009, and the revision shall become
7 effective January 1, 2010.

8 **SECTION 3.** Sections 2 and 3 of this act are effective when they becomes law.
9 The remainder of this act becomes effective January 1, 2010, and applies only to nonfleet
10 private passenger motor vehicle insurance policies that are issued or renewed on and after
11 January 1, 2010.