

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 678

Short Title: Automotive Glass Repair/Ins. Coverage. (Public)

Sponsors: Senators Rouzer and Bingham.

Referred to: Insurance.

April 20, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO PRESERVE THE ABILITY OF NORTH CAROLINA CITIZENS TO CHOOSE
3 AN AUTOMOTIVE GLASS REPAIR SERVICE, AND TO REQUIRE DISCLOSURE OF
4 AFFILIATIONS OF INSURERS INVOLVING AUTOMOTIVE GLASS REPAIR.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 33 of Chapter 58 of the General Statutes is amended by
7 adding a new section to read:

8 "**§ 58-33-78. Special provisions for automotive glass repair.**

9 (a) The following definitions apply in this section:

10 (1) Affiliation. – With respect to an automotive glass repair service provider,
11 means an ownership interest of ten percent (10%) or greater in the provider
12 or in any company with an ownership interest of ten percent (10%) or
13 greater in the provider.

14 (2) Automotive glass repair service provider. – A business that provides
15 automotive glass work services.

16 (3) Automotive glass work. – Installing, maintaining, or repairing fixed or
17 moveable glass in a motor vehicle.

18 (4) Business arrangement. – With respect to an automotive glass repair service
19 provider, means an agreement whereby the adjuster receives a commission
20 or fee for the referral of business to the provider.

21 (5) Insurer. – Includes a third-party administrator or any other person authorized
22 to represent an insurer with respect to a claim.

23 (b) The insurer shall not in any manner coerce or induce an insured to use an
24 automotive glass repair service provider other than the insured's chosen service provider, if the
25 insured has chosen a service provider.

26 (c) If an insurer requires that a claimant's motor vehicle be inspected before approving a
27 claim for automotive glass work, the insurer must disclose to the insured any affiliation or
28 business arrangement with an automotive glass repair service provider and may not solicit
29 automotive glass work or engage in any action that may be construed as inducement, coercion,
30 or sales activities in the course of conducting the inspection.

31 (d) Any insurer who violates the provisions of this section shall be guilty of a Class 1
32 misdemeanor."

33 SECTION 2. This act becomes effective September 1, 2011.

