

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

H

1

HOUSE BILL 164

Short Title: Accident Prevention Course Reduction.

(Public)

Sponsors: Representative Baker.

Referred to: Insurance.

February 19, 2001

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR AUTOMOBILE INSURANCE PREMIUM
DISCOUNTS FOR CERTAIN PERSONS WHO COMPLETE ACCIDENT
PREVENTION COURSES.

The General Assembly of North Carolina enacts:

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

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

(a) The classification plan promulgated pursuant to G.S. 58-36-65 may provide
for an appropriate reduction in premium rates for liability and physical damage
coverages to those insureds 55 years of age or older who successfully complete motor
vehicle accident prevention courses approved by the Commissioner of Motor Vehicles.
Those insureds shall qualify for the reduction for a three-year period after the policy
issuance or renewal that follows the completion of the course. Each insured shall
successfully complete an approved course every three years to be eligible for the
reduction. Any reduction used by an insurer shall be presumed appropriate unless
credible data demonstrate otherwise.

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

No reduction in rates shall be allowed for:

(1) Self-instructed courses;

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

(3) Any course required to be taken by:

- 1 a. A court order;
2 b. A Division of Motor Vehicles order or regulation; or
3 c. A statutory mandate.

4 (c) An insured who has more than two Safe Driver Incentive Plan points assessed
5 against him or her is not eligible for the reduction in premium rates provided for in this
6 section. The insured's ineligibility shall continue until the insured no longer has more
7 than two Safe Driver Incentive Plan, points and the insured successfully completes an
8 approved course.

9 (d) Insurers that write nonfleet private passenger motor vehicle insurance may
10 deviate from the reduction promulgated by the North Carolina Rate Bureau and
11 approved by the Commissioner to provide a greater discount as approved by the
12 Commissioner.

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

16 **SECTION 2.** The North Carolina Rate Bureau shall promulgate a revision to
17 the classification plan to reflect the provisions of this act. The Bureau shall file the
18 revision with the Commissioner no later than September 1, 2001, and the revision shall
19 become effective January 1, 2002.

20 **SECTION 3.** Sections 2 and 3 of this act are effective when it becomes law.
21 The remainder of this act becomes effective January 1, 2002, and applies only to
22 nonfleet private passenger motor vehicle insurance policies that are issued or renewed
23 on and after January 1, 2002.