

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 118

Pensions & Retirement and Insurance Committee Substitute Adopted 4/24/97

Short Title: Accident Preven. Course Reduction.

(Public)

Sponsors:

Referred to:

February 17, 1997

A BILL TO BE ENTITLED  
AN ACT TO PROVIDE FOR AUTOMOBILE INSURANCE PREMIUM DISCOUNTS  
OF AT LEAST TEN PERCENT 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 shall provide for a reduction in premium rates of at least ten percent (10%) 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.

(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

1 Commissioner of Motor Vehicles, which shall be the only acceptable evidence of  
2 qualification for the reduction in rates.

3 No reduction in rates shall be allowed for:

4 (1) Self-instructed courses;

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

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

9 a. A court order;

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

11 c. A statutory mandate.

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

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

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

23 Section 2. The North Carolina Rate Bureau shall promulgate a revision to the  
24 classification plan to reflect the provisions of this act. The Bureau shall file the revision  
25 with the Commissioner no later than September 1, 1997, and the revision shall become  
26 effective January 1, 1998.

27 Section 3. Sections 2 and 3 of this act are effective when it becomes law. The  
28 remainder of this act becomes effective January 1, 1998, and applies only to nonfleet  
29 private passenger motor vehicle insurance policies that are issued or renewed on and after  
30 January 1, 1998.