

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H.B. 205
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30085-MW-20

Short Title: Veh. Property Dmg./Determining Amt. of Loss. (Public)

Sponsors: Representative Torbett.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE LAW GOVERNING THE PROCEDURES FOR DETERMINING
3 THE AMOUNT OF PROPERTY DAMAGE TO A MOTOR VEHICLE WHEN LIABILITY
4 FOR COVERAGE FOR THE CLAIM IS NOT IN DISPUTE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 20-279.21(d1) reads as rewritten:

7 "(d1) Such motor vehicle liability policy shall provide an alternative method of determining
8 the amount of property damage to a motor vehicle when liability for coverage for the claim is not
9 in dispute. For a claim for property damage to a motor vehicle against an insurer, the policy shall
10 provide that if:

11 (1) The claimant and the insurer fail to agree as to the difference in fair market
12 value of the vehicle immediately before the accident and immediately after
13 the accident; and

14 (2) The difference in the claimant's and the insurer's estimate of the diminution in
15 fair market value is greater than two thousand dollars (\$2,000) or twenty-five
16 percent (25%) of the fair market retail value of the vehicle prior to the accident
17 as determined by the latest edition of the National Automobile Dealers
18 Association Pricing Guide Book or other publications approved by the
19 Commissioner of Insurance, whichever is less, then on the written demand of
20 either the claimant or the insurer, each shall select a competent and
21 disinterested appraiser and notify the other of the appraiser selected within 20
22 days after the demand. The appraisers shall then appraise the loss. Should the
23 appraisers fail to agree, they shall then select a competent and disinterested
24 appraiser to serve as an umpire. If the appraisers cannot agree upon an umpire
25 within 15 days, either the claimant or the insurer may request that a magistrate
26 resident in the county where the insured motor vehicle is registered or the
27 county where the accident occurred select the umpire. The appraisers shall
28 then submit their differences to the umpire. The umpire then shall prepare a
29 report determining the amount of the loss and shall file the report with the
30 insurer and the claimant. The agreement of the two appraisers or the report of
31 the umpire, when filed with the insurer and the claimant, shall determine the
32 amount of the damages. In preparing the report, the umpire shall not award
33 damages that are higher or lower than the determinations of the appraisers. In
34 no event shall appraisers or the umpire make any determination as to liability
35 for damages or as to whether the policy provides coverage for claims asserted.
36 ~~The claimant or the insurer shall have 15 days from the filing of the report to~~



1 reject the report and notify the other party of such rejection. If the report is not
2 rejected within 15 days from the filing of the report, the report shall be binding
3 ~~upon~~ An agreement between either of the appraisers and the umpire is binding
4 on both the claimant and the insurer. Each appraiser shall be paid by the party
5 selecting the appraiser, and the expenses of appraisal and umpire shall be paid
6 by the parties equally. For purposes of this section, "appraiser" and "umpire"
7 shall mean a person licensed as a motor vehicle damage appraiser under
8 G.S. 58-33-26 and G.S. 58-33-30 and who as a part of his or her regular
9 employment is in the business of advising relative to the nature and amount
10 of motor vehicle damage and the fair market value of damaged and
11 undamaged motor vehicles."

12 **SECTION 2.** This act is effective when it becomes law.