

GENERAL ASSEMBLY OF NORTH CAROLINA  
1991 SESSION

CHAPTER 713  
SENATE BILL 39

AN ACT TO PROVIDE THAT NO SAFE DRIVER INCENTIVE PLAN POINTS SHALL BE ASSESSED FOR THE FIRST ACCIDENT WITHIN THREE YEARS IF THERE IS PROPERTY DAMAGE ONLY AND NO MOVING VIOLATION INVOLVED.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-36-75 is amended by adding a new subsection to read:

"(a1) The subclassification plan shall provide that there shall be no premium surcharge, increase in premium on account of cession to the Reinsurance Facility, or assessment of points against an insured where: (i) the insured is involved and is at fault in a 'minor accident,' as defined in subsection (a) of this section; (ii) the insured is not convicted of a moving traffic violation in connection with the accident; (iii) neither the vehicle owner, principal operator, nor any licensed operator in the owner's household has a driving record consisting of one or more convictions for a moving traffic violation or one or more at-fault accidents during the three-year period immediately preceding the date of the application for a policy or the date of the preparation of the renewal of a policy; and (iv) the insured has been covered by liability insurance with the same company or company group continuously for at least the six months immediately preceding the accident. Notwithstanding (iv) of this subsection, if the insured has been covered by liability insurance with the same company or company group for at least six continuous months, some or all of which were after the accident, the insurance company shall remove any premium surcharge or assessment of points against the insured if requirements (i), (ii), and (iii) of this subsection are met. Also notwithstanding (iv) of this subsection, an insurance company may choose not to assess a premium surcharge or points against an insured who has been covered by liability insurance with that company or with the company's group for less than six months immediately preceding the accident, if requirements (i), (ii), and (iii) are met."

Sec. 2. The North Carolina Rate Bureau shall promulgate an amendment to the subclassification plan to reflect the provisions of this act. The Bureau shall make a filing no later than September 1, 1991, and the plan promulgated shall become effective January 1, 1992. The plan shall apply only to at-fault accidents that occur on or after January 1, 1992. With respect to any at-fault accidents occurring prior to January 1, 1992, the surcharge and period for which the surcharge is applied and collected shall be determined by the subclassification plan in effect at the time the at-fault accident occurred.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1991.

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James C. Gardner  
President of the Senate

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Daniel Blue, Jr.  
Speaker of the House of Representatives