
From: ncdoiagent.servicesdivision@lists.ncmail.net
Sent: Thursday, April 9, 2020 5:15 PM
To: NCDOI.NCDOIAgent.ServicesDivision
Subject: [Ncdoiagent.servicesdivision] North Carolina - New Rules for Licensed Motor Vehicle Damage Appraisers

To: All Licensed Motor Vehicle Damage Appraisers, Insurance Companies, and Interested Parties

From: North Carolina Department of Insurance - Agent Services Division

Date: April 9, 2020

RE: New Rules for Licensed Motor Vehicle Damage Appraisers

During the Rules Review Commission's meeting on March 19, 2020, the following new rules were approved for issuance. The Rules below are not currently available on the North Carolina Office of Administrative Hearings website. However, the North Carolina Department of Insurance (NCDOI) Agent Services Division (ASD) want to share these Rules with Licensed Motor Vehicle Damage Appraisers as the effective date is April 1, 2020.

They are:

- 11 NCAC 06A .1001 - DEFINITIONS (*Effective date April 1, 2020*)
- 11 NCAC 06A .1002 - ETHICAL STANDARDS (*Effective date April 1, 2020*)

As a result of extensive collaboration with a number of motor vehicles damage appraisers and other interested parties, these Rules were developed to assist licensed motor vehicles damage appraisers with managing their responsibilities.

The Rules referenced above are:

SECTION .1000 - MOTOR VEHICLE DAMAGE APPRAISERS

11 NCAC 06A .1001 DEFINITIONS

As used in this section, the following terms shall mean:

- (1) "Claimant" means as defined in 11 NCAC 04 .0425.
- (2) "Motor vehicle damage appraiser" means as defined in G.S. 58-33-10(14).

*History Note: Authority G.S. 58-2-40;
Eff. April 1, 2020.*

11 NCAC 06A .1002 ETHICAL STANDARDS

(a) Every licensed motor vehicle damage appraiser, when conducting business, shall:

- (1) identify himself or herself and his or her job title;
 - (2) when requested, provide his or her National Producer Number, and the Department's website address and phone number for verification of license status;
 - (3) prepare an independent appraisal of damages; and
 - (4) comply with all local, state, and federal laws in the motor vehicle damage appraiser's business affairs.
- (b) Every licensed motor vehicle damage appraiser shall refrain from:
- (1) disparaging the professional reputation of a motor vehicle damage appraiser or other persons associated with the claim;
 - (2) recommending the utilization of a particular motor vehicle repair service in violation of G.S. 58-33-76(a);
 - (3) recommending a claimant needing repairs or other services in connection with a loss to any person with whom the motor vehicle damage appraiser has a financial interest or who provides the motor vehicle damage appraiser any compensation for the referral or any resulting business;
 - (4) impeding the appraisal process or the settlement of a property damage claim;
 - (5) receiving any gratuity or other consideration in violation of G.S. 58-33-76(b).
 - (6) advising or recommending a claimant to obtain or not obtain legal advice or counsel from a particular legal counsel;
 - (7) giving legal advice on property damage claims in violation of G.S. 84-4;
 - (8) solicit a power of attorney from a consumer that authorizes the motor vehicle damage appraiser to sign insurance-related forms;
 - (9) attempting to influence a magistrate in the selection of an umpire pursuant to G.S. 20-279.21(d1), including using influence through a client or claimant;
 - (10) engaging in the salvage of automobiles if the salvage is obtained as a result of appraisal services rendered by the motor vehicle damage appraiser; and
 - (11) act in any manner outside the scope of a motor vehicle damage appraiser, as set forth in Chapter 58, Article 33 of the General Statutes.
- (c) Pursuant to G.S. 58-2-70 and G.S. 58-33-46, the Commissioner may consider the failure of a licensed motor vehicle damage appraiser to comply with this Rule as a basis for administrative action.

*History Note: Authority G.S. 58-2-40;
Eff, April 1, 2020.*

If you have any questions, please feel free to contact ASD.

Please email your questions or concerns to: ASD@ncdoi.gov