March 21, 2007

S 1329. VEHICLE PROTECTION PRODUCT ACT. Filed 3/21/07. *TO ENACT THE VEHICLE PROTECTION PRODUCT ACT*.

To be summarized in tomorrow's *Daily Bulletin.*

Intro. by Weinstein. GS 58, APPROP

March 22, 2007

S 1329. VEHICLE PROTECTION PRODUCT ACT. Filed 3/21/07. *TO ENACT THE VEHICLE PROTECTION PRODUCT ACT*.

Enacts a new Article 92, the Vehicle Protection Product Act, in GS Chapter 58. GS 58-92-10 specifies the scope of the new act and exemptions. Registration and filing requirements for warrantors are set out in GS 58-92-15. New GS 58-92-20 provides that no vehicle protection product may be sold or offered for sale in this state unless the warrantor meets one of two specified conditions to ensure adequate performance under the warranty. Establishes, in new GS 58-92-25, conditions for warranty reimbursement policies to be issued, sold, or offered for sale in this state. New GS 58-92-30 requires disclosures to the warranty holder. GS 58-92-35 regulates names of vehicle protection product warrantors, provides that a vehicle protection product seller or warrantor may not require as a condition of financing that a retailer purchaser buy a product, and provides that warrantors and their administrators are subject to Article 63 of GS Chapter 58. GS 58-92-40 requires record keeping by warrantors. GS 58-92-45 gives the Commissioner of Insurance rule-making authority to implement the new Article. Makes conforming changes. Appropriates $200,000 for 2007-08 from the General Fund to the Department of Insurance for the regulation of vehicle protection product warrantors and administrators. Appropriates $200,000 for 2007-08 from the Insurance Regulatory Fund to the General Fund for the regulation by the Department specified above. The new article is effective January 1, 2008, and applies to contracts and agreement's entered into on or after that date and to vehicle protection products sold or offered for sale on or after that date. The remainder of the act becomes effective July 1, 2007. The bill limits the admissibility, in court and in other proceedings, of the failure of any person to comply with the act prior to its effective date.

Intro. by Weinstein. GS 58, APPROP