



# HOUSE BILL 53: Increase Accident Thresholds/Safe Driver Plan.

2025-2026 General Assembly

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| <b>Committee:</b>     | House Rules, Calendar, and Operations of the House | <b>Date:</b>        | April 1, 2025  |
| <b>Introduced by:</b> | Reps. Warren, Humphrey, Scott                      | <b>Prepared by:</b> | Trina Griffin  |
| <b>Analysis of:</b>   | First Edition                                      |                     | Staff Attorney |

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**OVERVIEW:** House Bill 53 would increase property damage thresholds for major, intermediate, and minor accidents defined under the North Carolina Safe Driver Incentive Plan (SDIP) based on the Consumer Price Index (CPI) for motor vehicle maintenance and repair.

**CURRENT LAW:** The [SDIP](#) was created to give drivers a financial incentive to practice safe driving habits. SDIP points are charged based on driving-related convictions and at-fault accidents during the three-year period preceding the date an individual applies for coverage or the date of policy renewal. The table below shows the current property damage thresholds under the SDIP for purposes of classifying an accident as minor, intermediate, or major. These classifications can impact the number of insurance points a driver receives as the result of an accident, which, in turn, may correspond with a rate increase.

| Type of Accident      | Current Property Damage Threshold |
|-----------------------|-----------------------------------|
| Minor Accident        | ≤ \$2,300                         |
| Intermediate Accident | \$2,301-\$3,849                   |
| Major Accident        | ≥\$3,850                          |

**BILL ANALYSIS:** House Bill 53 would increase the property damage thresholds under SDIP to the following amounts:<sup>1</sup>

| Type of Accident      | Proposed Property Damage Threshold |
|-----------------------|------------------------------------|
| Minor Accident        | ≤\$3,570                           |
| Intermediate Accident | \$3,571-\$5,974                    |
| Major Accident        | ≥ \$5,975                          |

**EFFECTIVE DATE:** The act would be effective October 1, 2025, and apply to accidents occurring on or after that date.

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<sup>1</sup> These amounts reflect a 55.2% increase in inflation for motor vehicle maintenance and repair over the past ten years as measured by the Consumer Price Index (CPI.)

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**BACKGROUND:** The North Carolina Safe Driver Incentive Plan was created in 1957. The property damage thresholds for accidents were most recently increased in 2016 in [S.L. 2016-78](#).

According to the U.S. Bureau of Labor Statistics, the Consumer Price Index (CPI) measures the average change over time in prices paid by urban consumers for goods and services.

*Kristen Harris, counsel to House Insurance, substantially contributed to this summary.*