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

2025-2026 General Assembly

Committee:	House Insurance. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	**Date:**	March 12, 2025
Introduced by:	Reps. Warren, Humphrey, Scott	**Prepared by:**	Kristen L. Harris
Analysis of:	First Edition		Committee Co-Counsel

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: Currently, under the SDIP, a "major accident" involves property damage of $3,850 or more. An "intermediate accident" results in damage over $2,300 but less than $3,850. A "minor accident" costs $2,300 or less.

BILL ANALYSIS: House Bill 53 would increase the property damage thresholds under SDIP to the following amounts: a "major accident" would be $5,975 or more; an "intermediate accident" would be over $3,570 but less than $5,975; and a "minor accident" would be $3,570 or less.[1]

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

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.

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[1] 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.)

Kara McCraw
Director

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