Mogy Law Reviews North Carolina Auto Insurance Reform

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RALEIGH, NC - September 18, 2026 -
North Carolina's auto insurance requirements changed on July 1, 2025, when Senate Bill 452 took effect and raised the state's minimum liability coverage from 30/60/25 to 50/100/50, the first such increase since 1999. Under the reform, minimum bodily injury coverage rose from $30,000 to $50,000 per person, the per-accident cap climbed from $60,000 to $100,000, and the property damage minimum doubled from $25,000 to $50,000. Mogy Law is working to help Mecklenburg County residents understand how the statewide changes affect car accident claims.

Signed into law on October 3, 2023, SB 452 also mandated underinsured motorist coverage on all North Carolina policies issued or renewed on or after July 1, 2025. For the first time in state history, UIM coverage is required alongside the longstanding mandatory motorist coverage requirement. Before the change, policies at minimum limits were not required to carry underinsured motorist coverage, which could leave people injured by minimum-limit drivers without a UIM recovery source, depending on the policy terms in place.

The legislation further addressed North Carolina's credit rule for motorist claims. Previously, when an injured party received payment from an at-fault driver's liability insurer, the UIM carrier could take a credit for that payment against its own obligation, which could reduce the total recovery. Under SB 452, individuals injured in accidents occurring on or after July 1, 2025 may, subject to their specific policy terms and the facts of the case, recover both the at-fault driver's liability payment and the UIM payment without that setoff.

These statutory changes arrive amid heightened traffic safety concerns across the state. State agency reporting has documented that Mecklenburg County, the most populous jurisdiction in North Carolina, continues to record among the highest traffic fatality totals in the state. Settlement outcomes vary widely and depend on the specific facts, liability, injuries, available coverage, and venue of each individual case.

North Carolina's negligence rule continues to bar recovery for an injured party found even one percent at fault. With the higher coverage limits now in effect, legal observers note that insurance adjusters may have greater incentive to raise negligence arguments against claims filed under the new higher-limit policies, a factor that can affect how such claims are evaluated under the reformed framework.

The firm, through its Mogy Law NC Charlotte car accident lawyer team, has published information explaining how the reforms apply to North Carolina claims.

Eric Mogy, Founding Attorney at Mogy Law, addressed the practical effect of the credit rule change. "Before July 1, 2025, an injured person who received a liability payment from the at-fault driver's insurer and then filed a UIM claim could see the UIM carrier reduce its payment by the amount already received, so the total collected was often capped at the UIM limit regardless of how many coverage sources existed," Mogy said. "SB 452 removed that setoff in many circumstances, which means a liability payment and a separate UIM payment may both be recoverable depending on the policy language and case facts. That is a significant shift in how these claims can be structured, and the specific outcome always turns on the individual circumstances."

Mogy added that contingency fee arrangements vary among firms and that clients should review any fee agreement carefully before retaining counsel.

Serving Mecklenburg County and communities across the state in English and Spanish, the Charlotte car accident lawyer practice focuses on auto accident and personal injury matters.

Mogy Law is a personal injury law firm founded by attorney Eric Mogy, a Super Lawyers Rising Stars honoree and National Trial Lawyers Top 40 Under 40 member. The firm represents car accident victims, motorcycle riders, truck accident survivors, and rideshare crash clients throughout Mecklenburg County and statewide North Carolina in English and Spanish. Partner Chris Anglin also practices with the firm.

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Mogy Law NC

Mogy Law Firm in Raleigh helps car accident victims get fair compensation. Let our experienced attorneys handle your case while you focus on recovery.

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