**19A NCAC 03I .0402 REGISTRATION: INSURANCE: INSPECTION**

(a) Each vehicle used by the school shall be insured by a company licensed to do business in North Carolina against liability in the amount of at least fifty thousand dollars ($50,000) because of injury to or destruction of property of others in any one accident, one hundred thousand dollars ($100,000) because of bodily injury to or death of one person in any one accident, and three hundred thousand dollars ($300,000) because of bodily injury to or death of two or more persons in any one accident. This insurance coverage shall be secured on an annual basis. In the event coverage for any vehicle used for driver instruction or training shall not be renewed, the school shall give written notice to the Division at least 10 days prior to the expiration date of the coverage. A certificate of insurance coverage shall be filed by the insurance underwriter with the Division. Cancellation shall be accomplished upon 15 days prior written notice to the Division by the insurance underwriter.

(b) Each vehicle used by a school shall be listed and inspected in the manner prescribed by Rule .0401 of this Section. Each vehicle shall be inspected and approved by a representative of the Division before it is used and then annually.

*History Note:* *Authority G.S. 20-321; 20-322;*
*Eff. July 2, 1979;*
*Amended Eff. August 1, 2000; May 1, 1987;*
*Readopted Eff. June 1, 2021.*