

No one is surprised when a [major collision](#) involving a car or [truck](#) results in many thousands of dollars in damage. But when an accident occurs at low speed, such as in a parking lot or between vehicles stuck in a traffic jam, the damage is generally expected to be minor. It often looks like all you need to do is hammer out a dent or replace a part of the vehicle's trim, and it should be back on the road, good as new. And we also expect the repair bill to be a few hundred dollars.

But vehicle damage that looks insignificant can often be extremely costly to repair. Instead of a few hundred dollars, the repair bill could amount to five or ten thousand dollars. The vehicle might be considered totaled under North Carolina law. It is helpful to understand why seemingly minor repairs now cost major dollars, and why it is important to establish liability when someone else's actions caused the damage to your vehicle.

Your Car is a Computer on Wheels

The advanced features now commonly found on passenger vehicles in North Carolina essentially turn these modes of transportation into rolling computers. Systems use sensors, cameras, and radar to detect potential hazards and provide alerts that can help drivers avoid collisions. The sensors and other delicate equipment are often located in areas where a vehicle is likely to be impacted in a collision. This includes areas such as one of the bumpers, on the side mirrors, and on the windshield.

When a side mirror is damaged, for instance, it is now necessary to replace more than the mirror itself. Integrated cameras and sensors also need to be replaced. A car part that used to cost at most a couple of hundred dollars now costs over \$1,000 more. In addition, installing the part is more costly because it requires expertise in connecting the electronic equipment. And then the equipment needs to be calibrated to ensure it operates properly and integrates with the vehicle's other electronic components. Re-calibration can easily add \$1,000 or more to a repair bill. Local car repair shops often lack the specialized equipment needed to perform these repairs.

Economic Factors Have Also Driven Up Costs

In the quest to produce lighter, more fuel-efficient vehicles, manufacturers have been creating more components from lightweight aluminum and composite materials rather than steel or other heavy materials. When these components suffer damage, they often cannot be repaired and must be replaced, which significantly increases repair costs. For example, an impact that might leave a dent in a heavy material could cause a lighter material to crack instead, which destroys its integrity.

Replacing a part costs much more than repairing it due to the technology involved, as noted above. But other factors are driving up costs as well. Inflation and tariffs have caused some dramatic price increases for certain components. The cost of labor required to make repairs or replace components is also rising quickly in North Carolina. Our state is suffering from a shortage of mechanics and technicians qualified to perform the complex work required to repair or replace vehicle components. The labor shortage drives up prices and wait times.

The Higher Costs Affect Your Insurance Claim

The high cost of auto repairs can impact [insurance claims](#) in multiple ways. [North Carolina law](#) specifies that a car is considered “totaled” if the cost to repair it amounts to 75 percent or more of the actual cash value of the vehicle. When a vehicle is designated as a total loss, the insurer must pay the actual cash value and receive the salvage title.

The rule often causes insurance companies to write off vehicles as total losses even when the damage appears minor. And the amount the insurance company reports as the “actual cash value” is often far lower than it should be.

When an insurance company says they will pay a certain amount, it is not the final word on the matter. The amount they describe is a “settlement offer.” Insurance claimants can counter this offer with a figure they believe better represents the actual value. The claimant should be prepared with documentation showing the cost of a similar vehicle in similar condition. The regulations explain that if the claimant and the insurance company cannot agree on the value of the vehicle that was totaled, the settlement offer should “be based on:

- The published regional average values of substantially similar motor vehicles; and
- The retail cost of two or more substantially similar motor vehicles in the local market area

If there are no substantially similar cars for sale in the local market, then the settlement can be based on quotes from local dealers.

Liability is Important Even if There are No Injuries

It is important to establish who is liable for causing a collision, even if no one was hurt. If you are determined to be at fault and your insurance coverage is not sufficient to cover the cost of damage to the other vehicles involved, you could be liable for those expenses out of your own pocket.

If someone else is held responsible for causing the collision, that person will be liable for covering the cost of your repairs, but it is important to ensure that the repairs are performed by a certified shop with all appropriate calibrations. An attorney may be able to assist in the process.

Understand How to Protect Your Legal Rights

While the law gives you certain rights when you suffer injuries or property damage in a car crash, you can end up forfeiting those rights without realizing it. You can also [accidentally do something](#) that jeopardizes your ability to recover full compensation for your losses.

If you have questions about how to protect yourself after you've suffered serious injuries or damage in a car accident, we invite you to schedule a consultation with injury attorneys at Martin & Jones by calling 800-662-1234 or [contacting us online](#).