

LEGISLATIVE UP-DATE CIC - PHOENIX

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CALIFORNIA

Senator Speier introduced SB 551

This bill would prohibit an insurer from recommending a specific repair shop, unless the claimant specifically requests a referral. It would allow a claimant or repairer damaged by a violation to recover costs.

CALIFORNIA CONT'D

The California BAR continues to shake the repair trade in that state.

The BAR is being asked to define “Fraud”. To define “Bona fide error” and “Guarantee” and amend regulations to recognize the unique characteristics of the collision repair industry.

CANADA

The Collision Repair Standards Act of 2002 was introduced in Ontario's legislature, to create a standard for the collision repair industry. Shops would have to conform to rules about training, equipment, environmental standards and even taxes.

COLORADO

Colorado's Governor has indicated that the legislature needs to send him a new bill which would totally revamp the current No Fault program or he will let the entire system die.

CONNECTICUT

A Connecticut Department of Motor Vehicles regulation would allow auto repairers to use a reference guide for computing repair charges rather than the current process where insurers and collision repair shops negotiate the cost of those repairs

FEDERAL

A U.S. District Court in Florida certified a countrywide class of auto insurance policyholders who claim that Allstate, GEICO, Nationwide and State Farm conspired to violate antitrust laws by requiring the use of non-OEM replacement parts and charging too much premium for their policies.

THE FED'S

NFIB the small-business group
officially endorsed legislation that
would make health insurance more
affordable for small-business owners
and their employees, allowing them to
band together in Association Health
Plans.

ILLINOIS

The Appellate Court of Illinois, upheld an earlier decision by the Trial court relating to total loss settlement practices. Several motions were affirmed for technical reasons. The Appellate Court did indicate that according to the terms of the policy, if the plaintiff disagreed, they would have to submit to binding appraisal.

KANSAS

The Kansas Department of Insurance is very concerned about the consumer receiving less than qualified repairs and are concerned with vehicles that should be for parts only. A Task Force is being established between the department and industry. Want to know how you can influence legislation in you area..See Bob Smith.

MARYLAND

The Maryland Senate recently heard S.B. 90, which requires a “rebuilt salvage” title on any totaled vehicle with a repair cost equal to or less than its fair market value prior to the accident. Somebody opposed it.

NEW HAMPSHIRE

The New Hampshire House held a hearing on House Bill 573. The bill would prohibit insurers from limiting an insurance policy's coverage by specifying the type part to be used in the repair of a vehicle, or limit the policyholder's choice of repair facility. It also touched on other areas.

NORTH DAKOTA

H.B. 1332 was introduced in North Dakota which tries to legislate that non-OEM crash parts are as good as OEM crash parts has been tabled until 2005. The North Dakota Auto Body Association said the bill was supposed to go to the Transportation Committee, but was rerouted to the Industry and Labor Committee. Humm?

SOUTH DAKOTA

South Dakota saw the introduction and non-action on a bill to outlaw Insurer-Owned shops. Opposition to the bill came from a lobbyist representing the National Association of Independent Insurers and the Regional Counsel for Allstate

TENNESSEE

Diminished Value is out there and being fought on several fronts. A trial judge granted a summary judgment to State Farm by upholding a Court of Appeals ruling. The Appeals court agreed with the Trail Court that the quoted limit of liability provision in their policy is not ambiguous.

TEXAS

A case of D.V. in Texas. American Manufacturers Mutual Insurance Co., et al vs. Schaefer, filed a class action lawsuit against several insurance companies seeking to rule that personal auto policies cover diminished value. The Ninth Judicial District has since reversed that decision.

TEXAS

Texas House Committee Passed a bill banning insurer-owned shops. By a vote of 7-0 the House Committee on Licensing and Administrative Procedures passed H.B. 1131, the companion to Senate Bill 435. Both Bills propose to outlaw insurance company ownership of collision repair facilities.

WASHINGTON

H.B. 2049 Provides for a physical examination of vehicles which have been declared totaled or salvage, or the vehicle is presented with documents from another state showing the vehicle was totaled or salvage and has not been rebuilt or repaired in the states jurisdiction.

THANK YOU

Committee Members

Collision Week

Body Shop Business

CRASH NETWORK

And Anybody Else that I Missed