LC003979

# 2014 -- H 7404

# STATE OF RHODE ISLAND

## IN GENERAL ASSEMBLY

#### JANUARY SESSION, A.D. 2014

## AN ACT

### RELATING TO INSURANCE - MOTOR VEHICLE BODY REPLACEMENT PARTS

Introduced By: Representatives Ucci, Corvese, DeSimone, Palumbo, and Hull

Date Introduced: February 12, 2014

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1	SECTION 1. The title of Chapter 27-10.2 of the General Laws entitled "Motor Vehicle
2	Body Replacement Parts" is hereby amended to read as follows:
3	CHAPTER 10.2
4	Motor Vehicle Body Replacement Parts
5	CHAPTER 10.2
6	MOTOR VEHICLE REPLACEMENT PARTS
7	SECTION 2. Sections 27-10.2-1 and 27-10.2-2 of the General Laws in Chapter 27-10.2
8	entitled "Motor Vehicle Body Replacement Parts" are hereby amended to read as follows:
9	27-10.2-1. Definitions As used in this chapter:
10	(1) "Aftermarket part" means a motor vehicle body replacement part that is not an
11	original equipment manufacturer part; and
12	(2) "Original equipment manufacturer part" or "OEM part" means a motor vehicle body
13	replacement part manufactured by the manufacturer of the motor vehicle being repaired.
14	27-10.2-2. Aftermarket parts Time limit prohibition (a) Whenever an insurance
15	company, in adjusting a first party claim for motor vehicle physical damage, intends to specify
16	the use of aftermarket parts, it shall notify the insured in writing. Any auto body repair shop
17	conducting business in the state of Rhode Island shall not use non-original equipment
18	manufactured (OEM) parts, also referred to as aftermarket parts, in the repair of any person's

19 automobile, without that person giving the repairer his or her express written consent.

1 (b) No insurance company may require the use of aftermarket parts when negotiating 2 repairs with any repairer unless the repairer has written consent from the vehicle owner to install 3 aftermarket parts. The provisions of this section shall apply only to automobiles which are less 4 than thirty (30) months beyond the date of manufacture.

5 (c) For any automobile which is less than thirty (30) months beyond the date of 6 manufacture, the insurer and the auto body repairs shop must provide a written notice to the 7 vehicle owner that: (i) he or she may require the insurer to pay for and the auto body shop to install "original equipment manufacturer parts" or "OEM parts" in the repair of a motor vehicle 8 9 body replacement; or (ii) he or she may require the insurer to pay for and the auto body shop to 10 install "non-original equipment manufacturer parts" (non-"OEM parts") in the repair of a motor 11 vehicle body replacement. To comply with this provision, written notice may be provided on the 12 appraisal written on behalf of the insurer and the estimate prepared by the auto body repair shop. 13

SECTION 3. This act shall take effect upon passage.

#### LC003979 \_\_\_\_\_

### EXPLANATION

# BY THE LEGISLATIVE COUNCIL

## OF

# AN ACT

# RELATING TO INSURANCE - MOTOR VEHICLE BODY REPLACEMENT PARTS

\*\*\*

- 1 This act would amend the definition of the term "aftermarket part" to refer to all motor
- 2 vehicle replacement parts and would amend the title of the chapter 10.2 to reference the change.
  - This act would take effect upon passage.

LC003979

3