

2015 -- S 0780

=====
LC001873
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

A N A C T

RELATING TO INSURANCE - MOTOR VEHICLE BODY REPLACEMENT PARTS

Introduced By: Senators Goodwin, and Ruggerio

Date Introduced: April 01, 2015

Referred To: Senate Judiciary

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
2 VEHICLE 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
8 install "original equipment manufacturer parts" or "OEM parts" in the repair of a motor vehicle
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.

=====
LC001873
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

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.

3 This act would take effect upon passage.

=====
LC001873
=====