2018 -- H 8013

LC005169

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

AN ACT

RELATING TO INSURANCE - MOTOR VEHICLE REPLACEMENT PARTS

 $\underline{Introduced\ By:}\ Representatives\ Marshall, Corvese, McKiernan, Casey, and\ Tobon$

Date Introduced: March 29, 2018

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 27-10.2
4	Motor Vehicle Body Replacement Parts
5	<u>CHAPTER 27-10.2</u>
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.
10	As used in this chapter:
11	(1) "Aftermarket part" means a motor vehicle body replacement part that is not an
12	original equipment manufacturer part; and
13	(2) "Original equipment manufacturer part" or "OEM part" means a motor vehicle body
14	replacement part manufactured by the manufacturer of the motor vehicle being repaired.
15	27-10.2-2. Aftermarket parts Time limit prohibition.
16	(a) Whenever an insurance company, in adjusting a first party claim for motor vehicle
17	physical damage, intends to specify the use of aftermarket parts, it shall notify the insured vehicle
18	owner in writing. Any auto body repair shop conducting business in the state of Rhode Island

shall not use non-original equipment manufactured (OEM) parts, also referred to as aftermarket

parts, in the	repair o	of any	person's	automobile,	without	that	person	giving	the	repairer	his	or l	her
express writ	ten conse	ent.											

- (b) No insurance company may require the use of aftermarket parts when negotiating repairs with any repairer unless the repairer has written consent from the vehicle owner to install aftermarket parts. The provisions of this section shall apply only to automobiles which are less than thirty (30) forty-eight (48) months beyond the date of manufacture.
- (c) For any automobile which is less than thirty (30) months beyond the date of manufacture, the insurer and the auto body repairs shop must provide a written notice to the 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 body replacement any collision damaged part on the vehicle; or (ii) he or she may require the insurer to pay for and the auto body shop to install "non-original equipment manufacturer parts" (non-"OEM parts") in the repair of a motor vehicle body replacement any collision damaged part on the vehicle. To comply with this provision, written notice may be provided on the appraisal written on behalf of the insurer and the estimate prepared by the auto body repair shop.
- (d) No insurance company may require any repairer to use repair specifications or procedures that are not in compliance with the recommendations of the original equipment manufacturer for those parts.
- 19 SECTION 3. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO INSURANCE - MOTOR VEHICLE REPLACEMENT PARTS

1 This act would amend provisions of the general laws relative to motor vehicle 2 replacement parts and the use of aftermarket parts, time limits within which the use of aftermarket 3 parts is permitted, notice to be provided when using aftermarket parts and specifies compliance 4 standards for repair specifications which must be consistent with the manufacturers. 5 This act would take effect upon passage. LC005169