STAT OF RHODE ISLAND
IN GENERAL ASSEMBLY
JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO INSURANCE - MOTOR VEHICLE REPLACEMENT PARTS

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:

SECTION 1. The title of Chapter 27-10.2 of the General Laws entitled "Motor Vehicle Body Replacement Parts" is hereby amended to read as follows:

CHAPTER 27-10.2

Motor Vehicle Body Replacement Parts

CHAPTER 27-10.2

MOTOR VEHICLE REPLACEMENT PARTS

SECTION 2. Sections 27-10.2-1 and 27-10.2-2 of the General Laws in Chapter 27-10.2 entitled "Motor Vehicle Body Replacement Parts" are hereby amended to read as follows:

27-10.2-1. Definitions.

As used in this chapter:

(1) "Aftermarket part" means a motor vehicle body replacement part that is not an original equipment manufacturer part; and

(2) "Original equipment manufacturer part" or "OEM part" means a motor vehicle body replacement part manufactured by the manufacturer of the motor vehicle being repaired.

27-10.2-2. Aftermarket parts -- Time limit prohibition.

(a) Whenever an insurance company, in adjusting a first-party claim for motor vehicle physical damage, intends to specify the use of aftermarket parts, it shall notify the insured vehicle 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 of any person's automobile, without that person giving the repairer his or her express written consent.

(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 any 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 any 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.

SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N   A C T
RELATING TO INSURANCE - MOTOR VEHICLE REPLACEMENT PARTS

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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.

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