### 2012 -- S 2674



# STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2012**

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### AN ACT

#### RELATING TO INSURANCE - UNFAIR COMPETITION AND PRACTICES

Introduced By: Senators Ruggerio, and Goodwin

Date Introduced: March 01, 2012

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Chapter 27-29 of the General Laws entitled "Unfair Competition and
- 2 Practices" is hereby amended by adding thereto the following section:
- 3 <u>27-29-4.7. Auto body repair Posted auto body labor rates. Every insurer adjusting</u>
- 4 motor vehicle property damage claims must reimburse a licensed auto body shop its posted auto
- 5 body labor rate when determining the amount required to repair a damaged vehicle to pre-
- 6 accident condition, provided that the auto body shop's posted labor rate does not exceed the
- 7 reimbursement amount approved by the vehicle's manufacturer for work performed at a licensed
- 8 <u>dealership in the state of Rhode Island.</u>
- 9 SECTION 2. This act shall take effect upon passage.

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# **EXPLANATION**

### BY THE LEGISLATIVE COUNCIL

OF

# AN ACT

# RELATING TO INSURANCE - UNFAIR COMPETITION AND PRACTICES

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This act would require every insurer adjusting a motor vehicle property damage claim to reimburse licensed auto body facilities their posted labor rates when determining the amount required to repair the damaged vehicle to pre-accident condition.

This act would take effect upon passage.

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