

HB 1113 - H AMD 5

By Representative Ericks

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 48.05 RCW
4 to read as follows:

5 (1) An insurer defined under RCW 48.01.050 that holds an ownership
6 interest in an automotive repair facility defined under RCW 46.71.011
7 shall fully disclose such ownership interest to all claimants prior to
8 the initiation of any repairs at such automotive repair facility. The
9 notice required by this subsection shall be prominently posted at the
10 insurer-owned automotive repair facility in a location where it is
11 likely to be seen and read by a customer of the repair facility. The
12 notice must read as follows:

13 THIS REPAIR FACILITY IS OWNED IN WHOLE OR IN PART BY (NAME OF
14 INSURER). YOU ARE HEREBY NOTIFIED THAT YOU ARE ENTITLED TO OBTAIN
15 REPAIRS AT ANY REPAIR FACILITY OF YOUR CHOICE.

16 (2) In addition to the notice required under subsection (1) of this
17 section, such an insurer must provide notice to the claimant prior to
18 the initiation of any repairs at an automotive repair facility that the
19 insurer must make a good faith effort to honor a claimant's request for
20 repairs to be made in a specific repair shop, and cannot arbitrarily
21 deny such a request.

22 (3) A claimant whose motor vehicle is repaired at an automotive
23 repair facility subject to the notice requirements of subsection (1) of
24 this section may file a complaint with regard to that repair with the
25 office of the insurance commissioner.

26 (4) As used in this section, "automotive repair facility" does not
27 include a facility that both:

28 (a) Dismantles a vehicle only for the purpose of diagnosing the
29 extent of damage; and

1 (b) Refers the vehicle to an independently owned and operated
2 automotive repair facility for repair.

3 (5) An insurer that complies with this section is not prohibited
4 from having a financial interest in an automotive repair facility."

5 Correct the title.

EFFECT: Insurers must post notice of any ownership interest in an automotive repair facility at the facility. Claimants must be informed of any such ownership interest prior to the start of any repair work at an insurer-owned facility. Insurers must notify consumers prior to the start of any covered repair work that the insurer must make a good faith effort to honor the consumer's choice of repair shops. Claimants with repairs performed at an insurer-owned facility may file a complaint about the repairs with the Insurance Commissioner. Excludes facilities that diagnose damage and then refer a vehicle to an independent repair facility from the definition of "automotive repair facility."

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