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**SUBSTITUTE HOUSE BILL 2782**

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**State of Washington**

**66th Legislature**

**2020 Regular Session**

**By** House Consumer Protection & Business (originally sponsored by Representative Kirby)

READ FIRST TIME 02/07/20.

1 AN ACT Relating to automobile insurance policies; and adding a  
2 new section to chapter 48.22 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.22  
5 RCW to read as follows:

6 (1) Every basic contract of automobile insurance must contain the  
7 following language: "When an automobile is deemed repairable, the  
8 automobile must be restored to its condition prior to the loss."  
9 Restoration of the automobile to its condition prior to the loss  
10 includes repair processes as defined in subsection (6)(b) of this  
11 section.

12 (2) Payment of a claim under a basic contract of automobile  
13 insurance for automobile physical damage must be based upon the  
14 reasonable and necessary costs at the claimant's chosen repair  
15 facility. The insurance company has the burden to prove the  
16 unreasonableness of vehicle repair procedures, charges, or both.  
17 Repair processes as defined in subsection (6)(b) of this section are  
18 deemed reasonable and necessary.

19 (3) Nothing in this section mandates that an insurance company  
20 pay for parts supplied by the original equipment manufacturer, except

1 to the extent that the use of alternate parts would fail to restore  
2 the vehicle to its condition prior to the loss.

3 (4) The claimant's chosen repair facility may perform repair  
4 processes as defined in subsection (6)(b) of this section if the  
5 repair processes are reasonable and necessary to restore the  
6 automobile to its condition prior to the loss. Payment of the claim  
7 must not intentionally disregard or deny repair processes necessary  
8 to restore the automobile to its condition prior to the loss.

9 (5) A violation of this section constitutes a violation of RCW  
10 48.30.015 and 19.86.020.

11 (6) The definitions in this subsection apply throughout this  
12 section unless the context clearly requires otherwise.

13 (a) "Basic contract of automobile insurance" means any automobile  
14 insurance policy that includes first-party coverage for automobile  
15 physical damage.

16 (b) "Repair processes" means the explicit processes, tolerances,  
17 and other technical requirements or instructions for the repair of a  
18 motor vehicle including scans, calibrations, or diagnostic tests of  
19 vehicle electronic systems that the motor vehicle manufacturer makes  
20 available to dealerships, independent repair shops, and insurers  
21 generally. "Repair processes" does not include position statements,  
22 recommendations, directives, suggestions, or advice regarding the use  
23 of any particular brand, type, or manufacturer of parts, tools, or  
24 equipment.

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