

---

**HOUSE BILL 2011**

---

**State of Washington**

**68th Legislature**

**2024 Regular Session**

**By** Representatives Peterson, Reed, Kloba, Pollet, Ramel, Lekanoff, Doglio, Nance, Riccelli, and Macri

Prefiled 12/21/23. Read first time 01/08/24. Referred to Committee on Consumer Protection & Business.

1 AN ACT Relating to enhancing consumer protections for automobile  
2 insurance coverage; and adding new sections to chapter 48.18 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 48.18  
5 RCW to read as follows:

6 Every basic contract of automobile insurance issued or renewed  
7 effective on or after January 1, 2025, shall include a provision for  
8 the right to an appraisal to resolve disputes between the insurer and  
9 the insured regarding the actual cash value and amount of loss on the  
10 damaged automobile. The appraisal clause shall read as follows unless  
11 the insurer certifies that the appraisal clause is more favorable to  
12 the insured:

13 "If [the insurance company] and [the policyholder] are unable to  
14 agree as to the amount of loss, either party may make a written  
15 demand for an appraisal, and within 10 days each party shall select a  
16 competent and disinterested appraiser and notify the other party of  
17 its selection.

18 The selected appraisers shall appoint a competent and  
19 disinterested umpire. If the appraisers do not appoint a competent  
20 and disinterested umpire within 15 days, either party may request  
21 that a judge of a court of competent jurisdiction select an umpire.

1 The appraisers shall then each appraise the loss, make separate  
2 findings regarding the amount of loss for each element of loss, and  
3 if the appraisers are unable to agree on the losses, they shall  
4 submit their differences to the umpire.

5 The amount of loss must be determined either by agreement of the  
6 appraisers or by agreement of one appraiser and the umpire.

7 Each party is responsible for their appraisal expenses, and each  
8 party is equally responsible for the cost of the umpire.

9 If the amount of loss determined through the appraisal process is  
10 greater than the amount of loss [the insurance company] adjusted  
11 before the appraisal process was invoked, [the insurance company]  
12 will reimburse [the policyholder] for the costs incurred for the  
13 appraisal process.

14 The appraisal process costs include reasonable appraiser  
15 professional charges, reasonable attorneys' fees, and other necessary  
16 actual costs."

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.18  
18 RCW to read as follows:

19 (1) Every basic contract of automobile insurance shall contain  
20 the following language: "When a vehicle is deemed repairable by [the  
21 insurance company], the amount paid under the claim must allow the  
22 vehicle to be restored to its condition prior to the loss."  
23 Restoration of the vehicle to its condition prior to the loss  
24 includes repair processes.

25 (2) Payment of a claim under a basic contract of automobile  
26 insurance for automobile physical damage must be based upon the  
27 reasonable and necessary costs at the claimant's chosen repair  
28 facility. The insurance company has the burden to prove the costs at  
29 the claimant's chosen repair facility are unreasonable or  
30 unnecessary. Repair processes are deemed reasonable and necessary.

31 (3) Nothing in this section mandates that an insurance company  
32 pay for parts supplied by the original equipment manufacturer, except  
33 to the extent that the use of alternate parts would fail to restore  
34 the vehicle to its condition prior to the loss.

35 (4) For the purposes of this section:

36 (a) "Basic contract of automobile insurance" means any automobile  
37 insurance policy that includes first-party coverage for physical  
38 damage of an automobile.

1           (b) "Repair processes" means the explicit processes, tolerances,  
2 and other technical requirements or instructions for the repair of a  
3 motor vehicle, including scans, calibrations, or diagnostic tests of  
4 vehicle electronic systems that the motor vehicle manufacturer makes  
5 generally available to dealerships, independent repair shops, and  
6 insurers.

--- END ---