

IN THE SENATE

SENATE BILL NO. 1313

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1 RELATING TO INSURANCE; AMENDING CHAPTER 13, TITLE 41, IDAHO CODE, BY THE AD-
2 DITION OF A NEW SECTION 41-1328E, IDAHO CODE, TO PROHIBIT UNFAIR PRAC-
3 TICES BY INSURANCE COMPANIES IN AUTO BODY REPAIR, WITH EXCEPTIONS.
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5 Be It Enacted by the Legislature of the State of Idaho:

6 SECTION 1. That Chapter 13, Title 41, Idaho Code, be, and the same is
7 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
8 ignated as Section 41-1328E, Idaho Code, and to read as follows:

9 41-1328E. PROHIBITED ACTS. (1) It is an unfair practice for an insur-
10 ance company not to follow all components of a repair manual when appraising
11 a damaged vehicle. Specifically, it is an unfair trade practice for an auto-
12 mobile insurance company to:

13 (a) Modify any published manual or any automated appraisal system re-
14 lating to auto body repair without prior written agreement between the
15 parties;

16 (b) Fail to use a manual or automated appraisal system in its entirety
17 in the appraisal of motor vehicle damage; or

18 (c) Refuse to compensate an auto body shop for documented charges as
19 identified through industry-recognized methods, software programs or
20 systems for refinishing materials, shop supplies and labor calcula-
21 tions in auto body repair claims.

22 (2) If an insured or claimant elects to have his or her vehicle repaired
23 at an auto body repair shop of his or her choice, the insurer shall not limit
24 or discount the repair costs based upon the charges that would have been in-
25 curred had the vehicle been repaired by the insurer's direct repair shop(s).