

HOUSE No. 805

The Commonwealth of Massachusetts

PRESENTED BY:

Antonio F. D. Cabral

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to the fair payment of services.

PETITION OF:

NAME:

Antonio F. D. Cabral

Kate Hogan

DISTRICT/ADDRESS:

13th Bristol

3rd Middlesex

HOUSE No. 805

By Mr. Cabral of New Bedford, a petition (accompanied by bill, House, No. 805) of Antonio F. D. Cabral and Kate Hogan relative to the minimum hourly labor rate that insurers pay on insured claims for repairs made by registered motor vehicle repair shops. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act relative to the fair payment of services.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 100A of the General Laws, as appearing in the 2012 Official
2 Edition, is hereby amended by inserting after section 14 the following section:-

3 Section 15. The minimum hourly labor rate that insurers pay on insured claims for repairs
4 made by registered motor vehicle repair shops shall be the average of the hourly rates reported
5 by the Mitchell Industry Trends Report, or successor publication, for motor vehicle damage
6 repairs in Connecticut, New York, New Hampshire, Rhode Island and Vermont. If an insurer
7 does not use the Mitchell Industry Trends Report or successor publication, the insurer shall use
8 the average of the labor rate it pays in those states, whichever is greater. The insurer shall submit
9 such calculation to the commissioner of the division of insurance every two years.

10 SECTION 2. Section 113B of chapter 175 of the General Laws, as appearing in the 2012
11 Official Edition, is hereby amended by inserting, after the word "commissioner" in line 14, the
12 following:- ; provided, however, that collision repair hourly labor rates, established pursuant to

13 section 15 of chapter 100A, shall not be included when considering programs to control costs
14 and expenses under this section or section 113H.

15 SECTION 3. The commissioner of the division of insurance shall adopt regulations for
16 the administration and enforcement of this section one within ninety days from enactment of this
17 act.