March 7, 2019

The Honorable Matt Lesser, Co-Chair The Honorable Sean Scanlon, Co-Chair Joint Committee on Insurance and Real Estate State Capitol Building Hartford, Connecticut 06106

RE: Support House Bill 7266 – Amendment Attached

Dear Chairmen Lesser and Scanlon:

I represent the Automotive Service Association (ASA). ASA is the largest and oldest national association representing collision and mechanical repair facilities. We are writing today in support of House Bill 7266 addressing original equipment manufacturer (OEM) repair procedures for collision repairs with the attached amendment.

House Bill 7266 seeks to address an issue of concern for our consumers and repairers. The Seebachan v. John Eagle Collision Center decision reminded collision repairers of the importance of having proper repair procedures. The OEM repair procedures are the logical repair processes to be followed. To be clear, ASA does not support the use of OEM parts only. ASA's interest is in requiring the industry to adhere to a set of repair procedures that assure the best opportunity for vehicle safety on our highways. Our proposed amendment assures that no insurer shall condition payment of a claim to the insured or to any person conducting a collision repair based upon the utilization of any repair procedure or specification that does not conform to the original manufacturer's repair procedures. In addition, it is critical that scans are part of the repair processes. This is more important than ever before with new vehicle technologies. Many of our members risk not being paid by conducting pre- and post-scans of the vehicle to assure that the vehicle is safe when it leaves the collision repair shop. With this bill, the legislature ensures that the State of Connecticut has done as much as possible to protect consumers and small businesspersons in the repair chain following an accident.

ASA supports a competitive parts marketplace. In addition, ASA does not believe HB 7266 will impact insurance rates.

All segments of the collision repair industry should support quality, safe repairs. Establishing a baseline of expected repair procedures is a step towards quality, safe repairs for the motoring public.

Please call on us if we can provide additional information.

Sincerely,

Robert L. Redding, Jr.

Washington, D.C. Representative

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## **Proposed Amendment**

Striking Section 1 and inserting in place thereof the following:

Section 1. (NEW) (Effective October 1, 2019) Notwithstanding any provision of the general statutes no insurer licensed to issue policies of automobile insurance providing bodily injury, property damage liability, comprehensive, or collision coverages shall condition payment of a claim to the insured or to any person conducting a collision repair based upon the utilization of any repair procedure or specification that does not conform to the original equipment manufacturer's documented procedures, specifications or allowable tolerances of such vehicle year, make, model, and trim level. If a repair procedure or specification from an original equipment manufacturer includes a directive to conduct a scan, calibration, or diagnostic test of vehicle electronic systems before or after the commencement of repairs, such directive shall be considered as a required part of the repair procedure.

Notwithstanding any statements or recommendations contained in the original equipment manufacturers' repair specifications or procedures relative to the use of original equipment manufacturer parts, governance of the use of parts in the course of an insurer-funded repair shall be solely dictated by Chapter 700, Section 38a - 355 of the Connecticut state code.