

HOUSE No. 1035

The Commonwealth of Massachusetts

PRESENTED BY:

James K. Hawkins

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 to establish minimum reimbursement rate to insurance claimants.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>James K. Hawkins</i>	<i>2nd Bristol</i>	<i>1/19/2023</i>
<i>Alan Silvia</i>	<i>7th Bristol</i>	<i>1/26/2023</i>
<i>Brian W. Murray</i>	<i>10th Worcester</i>	<i>1/29/2023</i>
<i>Angelo L. D'Emilia</i>	<i>8th Plymouth</i>	<i>1/30/2023</i>
<i>John H. Rogers</i>	<i>12th Norfolk</i>	<i>1/31/2023</i>
<i>Angelo J. Puppolo, Jr.</i>	<i>12th Hampden</i>	<i>1/31/2023</i>
<i>Michael J. Finn</i>	<i>6th Hampden</i>	<i>1/31/2023</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>	<i>2/2/2023</i>
<i>Paul K. Frost</i>	<i>7th Worcester</i>	<i>2/3/2023</i>
<i>Patricia A. Haddad</i>	<i>5th Bristol</i>	<i>2/3/2023</i>
<i>Susannah M. Whipps</i>	<i>2nd Franklin</i>	<i>2/6/2023</i>
<i>Mathew J. Muratore</i>	<i>1st Plymouth</i>	<i>2/6/2023</i>
<i>Michael P. Kushmerek</i>	<i>3rd Worcester</i>	<i>2/6/2023</i>
<i>David F. DeCoste</i>	<i>5th Plymouth</i>	<i>2/7/2023</i>
<i>John J. Cronin</i>	<i>Worcester and Middlesex</i>	<i>2/8/2023</i>
<i>Jacob R. Oliveira</i>	<i>Hampden, Hampshire and Worcester</i>	<i>2/8/2023</i>
<i>Colleen M. Garry</i>	<i>36th Middlesex</i>	<i>2/9/2023</i>
<i>Josh S. Cutler</i>	<i>6th Plymouth</i>	<i>2/13/2023</i>

<i>Christopher M. Markey</i>	<i>9th Bristol</i>	<i>2/13/2023</i>
<i>Kathleen R. LaNatra</i>	<i>12th Plymouth</i>	<i>2/13/2023</i>
<i>Adam Scanlon</i>	<i>14th Bristol</i>	<i>2/13/2023</i>
<i>Peter Capano</i>	<i>11th Essex</i>	<i>2/13/2023</i>
<i>Marc T. Lombardo</i>	<i>22nd Middlesex</i>	<i>2/14/2023</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>2/14/2023</i>
<i>Steven S. Howitt</i>	<i>4th Bristol</i>	<i>2/14/2023</i>
<i>Patrick Joseph Kearney</i>	<i>4th Plymouth</i>	<i>2/15/2023</i>
<i>Donald R. Berthiaume, Jr.</i>	<i>5th Worcester</i>	<i>2/15/2023</i>
<i>Paul McMurtry</i>	<i>11th Norfolk</i>	<i>2/15/2023</i>
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>	<i>2/16/2023</i>
<i>Jennifer Balinsky Armini</i>	<i>8th Essex</i>	<i>2/16/2023</i>
<i>Peter J. Durant</i>	<i>6th Worcester</i>	<i>2/21/2023</i>
<i>Rob Consalvo</i>	<i>14th Suffolk</i>	<i>2/24/2023</i>
<i>Jonathan D. Zlotnik</i>	<i>2nd Worcester</i>	<i>3/1/2023</i>
<i>Marcus S. Vaughn</i>	<i>9th Norfolk</i>	<i>3/7/2023</i>
<i>James C. Arena-DeRosa</i>	<i>8th Middlesex</i>	<i>3/7/2023</i>
<i>Anne M. Gobi</i>	<i>Worcester and Hampshire</i>	<i>3/9/2023</i>
<i>John F. Keenan</i>	<i>Norfolk and Plymouth</i>	<i>3/9/2023</i>
<i>Ryan C. Fattman</i>	<i>Worcester and Hampden</i>	<i>3/9/2023</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>3/9/2023</i>

HOUSE No. 1035

By Representative Hawkins of Attleboro, a petition (accompanied by bill, House, No. 1035) of James K. Hawkins and others for legislation to establish a set of minimum reimbursement rates for labor by insurers to claimants for first- or third-party motor vehicle insurance claims in the Commonwealth. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 1111 OF 2021-2022.]

The Commonwealth of Massachusetts

—————
**In the One Hundred and Ninety-Third General Court
(2023-2024)**
—————

An Act to establish minimum reimbursement rate to insurance claimants.

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

1 The purpose of this bill is to establish a set of minimum reimbursement rates for labor by
2 insurers to claimants, for first- or third-party auto insurance claims in the Commonwealth. The
3 newly calculated minimum reimbursement rate to the claimant will be determined by identifying
4 the rate at the time of the Insurance Reform Act of 1988 adjusted to the rate of inflation to the
5 time and promulgation of this bill becoming law.

6 The newly established minimum reimbursement rates will be phased in over a two-year
7 correction period, which will begin within 30 days of the promulgation of this law with an
8 increase of one-half of the difference between current rates and the newly established rates. The

9 remaining half of the increase will follow at the end of the next twelfth month. This second
10 increase will include the rate of inflation for the previous twelve-month period.

11 At the end of the two-year correction period, the minimum reimbursement rates to
12 claimants will be adjusted yearly based upon the CPI for All Urban Consumers (CPI-U) Not
13 Seasonally Adjusted, Northeast Region as published by the US Bureau of Labor and Statistics.

14 Under no circumstances shall the reimbursement rate to the claimant be less than the
15 aforementioned calculated amount. A negotiation above the minimum reimbursement rates set,
16 for the benefit of the consumer, will be determined based on a set of criteria. The criteria for the
17 negotiations shall be predicated upon, but not limited to the type of vehicle (standard, high-end,
18 heavy-duty, commercial, and/or body composition materials) labor type (body, refinish,
19 structural, frame, aluminum, mechanical or other), expertise, level of training, certifications,
20 equipment and geographic area of the chosen registered repair shop. No insurer shall refuse to
21 negotiate on the basis of their ability to obtain a price that they can secure from another licensed
22 repair facility conveniently located to the claimant.

23 Further, insurers are prohibited, other than by the means outlined in current laws and
24 regulations, from suggesting, insisting, or overtly steering a claimant to use any specific
25 registered repair facility to repair their damaged vehicle.

26 The promulgation of this law setting a minimum reimbursement rate to the claimant shall
27 not invalidate any of the requirements as set forth in the governing statutes including but not
28 limited to the: MGL Chapter 26 Section 8G, Code of Massachusetts Regulations; 211 CMR 123,
29 211 CMR 133 or 212 CMR 2.0.