

SENATE No. 561

The Commonwealth of Massachusetts

PRESENTED BY:

James T. Welch

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 reforming labor rates paid by insurance companies to auto repairers in the Commonwealth.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>James T. Welch</i>	<i>Hampden</i>
<i>Benjamin B. Downing</i>	<i>Berkshire, Hampshire, Franklin and Hampden</i>
<i>Michael J. Rodrigues</i>	<i>First Bristol and Plymouth</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>

SENATE No. 561

By Mr. Welch, a petition (accompanied by bill, Senate, No. 561) of James T. Welch, Benjamin B. Downing, Michael J. Rodrigues and James B. Eldridge for legislation to reform labor rates paid by insurance companies to auto repairers in the Commonwealth. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 497 OF 2013-2014.]

The Commonwealth of Massachusetts

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**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**
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An Act reforming labor rates paid by insurance companies to auto repairers in the Commonwealth.

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 is hereby amended by inserting after
2 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.