

2011 -- H 5895

LC01944

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

A N A C T

RELATING INSURANCE – MOTOR VEHICLE DAMAGE APPRAISERS

Introduced By: Representatives Ucci, JP O'Neill, Corvese, and Palumbo

Date Introduced: March 09, 2011

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-10.1-6 of the General Laws in Chapter 27-10.1 entitled "Motor
2 Vehicle Damage Appraisers" is hereby amended to read as follows:

3 **27-10.1-6. Conduct of motor vehicle damage appraisers.** – (a) Each appraiser, while
4 engaged in appraisal duties, shall carry the license issued to that appraiser by the department of
5 business regulation and shall display it, upon request, to an owner whose vehicle is being
6 inspected, to the auto body shop representative involved, or to any authorized representative of
7 the department of business regulation.

8 (b) The appraiser shall leave a legible copy of his or her appraisal with the auto body
9 shop selected to make the repairs, which appraisal shall contain the name of the insurance
10 company ordering it, if any, the insurance file number, the number of the appraiser's license, and
11 the proper identification number of the vehicle being inspected, and notice in boldface type,
12 reading as follows:

13 "PURSUANT TO RHODE ISLAND LAW, THE CONSUMER HAS THE RIGHT TO
14 CHOOSE THE REPAIR FACILITY TO COMPLETE REPAIRS TO A MOTOR VEHICLE;
15 AND AN INSURANCE COMPANY MAY NOT INTERFERE WITH THE CONSUMER'S
16 CHOICE OF REPAIRER." All damage unrelated to the incident or accident that occasioned the
17 appraisal of the vehicle, or old damage, shall be clearly indicated in the appraisal.

18 (c) The appraiser shall not obtain a competitive estimate from another auto body shop
19 unless the owner of that other shop, or his or her authorized agent, has inspected the vehicle. No

1 ~~competitive appraisal or~~ estimate shall be obtained by the use of photographs, telephone calls, or
2 in any manner other than a personal inspection.

3 (d) No appraiser shall request that repairs be made in a specified auto body shop.

4 (e) Every appraiser shall re-inspect damaged vehicles when supplementary allowances
5 are requested by the auto body shops.

6 (f) No appraiser shall receive directly or indirectly any gratuity or other consideration in
7 connection with his or her appraisal services from any person except his or her employer, or, if
8 self-employed, his or her customers.

9 (g) No appraiser shall traffic in automobile salvage if it is obtained in any way as a result
10 of appraisal services rendered by the appraiser.

11 (h) No appraiser shall obtain an estimate from an unlicensed automobile body repair shop nor
12 shall any appraiser agree on a price for repairing a damaged motor vehicle with an unlicensed
13 automobile body repair shop. Nothing contained in this section shall be construed to preclude an
14 appraiser from dealing with any entity not subject to the licensing provisions of section 5-38-4.

15 (i) An appraiser's performance shall not be evaluated by his or her employer using the
16 value of the appraisals completed by the appraiser in any period of time during his or her
17 employment.

18 (j) Insurance carriers, independent appraisal businesses, and any other entity where an
19 appraiser may be employed shall not provide employment incentives based upon the value of
20 appraisals completed in any period of time by a licensed appraiser. Such prohibited incentives are
21 defined as any form of valuable consideration, including, but not limited to: bonuses, promotions,
22 raises, gift cards, and gift certificates. An appraiser shall not accept such incentive if offered on
23 the basis of appraisal values.

24 (k) An appraiser shall not reduce the value of a loss by writing an incomplete appraisal
25 when a vehicle is inspected at a location other than an automobile body repair shop.

26 (l) An appraiser shall not reduce the value of a loss by refusing to negotiate in good faith,
27 any part of the loss, including labor rate charges, specific parts to be used, repair procedures, and
28 paint and material charges, with a licensed automobile body repair shop.

29 (m) Nothing in this section shall prohibit a private right of action.

30 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING INSURANCE -- MOTOR VEHICLE DAMAGE APPRAISERS

1 This act would place certain restrictions upon the conduct of motor vehicle damage
2 appraisers.

3 This act would take effect upon passage.

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