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HOUSE BILL No. 2652

By Committee on Transportation

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9 AN ACT establishing the motor vehicle damage appraisal act. 10 Be it enacted by the Legislature of the State of Kansas: 11 12 Section 1. Sections 1 through 6, and amendments thereto, may be 13 cited as the motor vehicle physical damage appraisal act. 14 Sec. 2. As used in this act: 15 "After market part" means replacement sheet metal or plastic 16 parts which are not made by or for the original equipment manufacturer 17

- and which generally constitute the exterior or provide support for the exterior of a motor vehicle, including inner and outer panels;
- "New part" means a part or component manufactured or supplied by the original motor vehicle manufacturer in an unused condition;
- "pattern and practice" means a mixture of factors as to quantity, frequency and similar acts;
- "physical damage appraisal" means all diagnosis that is commonly performed by a motor vehicle physical damage appraiser to diagnose the repair of a motor vehicle to a condition similar to the motor vehicle condition prior to the damage or deterioration including, but not limited to, the diagnosis, installation, exchange, repair or refinishing of exterior body panels, trim, lighting and structural chassis;
- "physical damage appraiser" means any person, firm, association or corporation that engages in the business of preparation of an appraisal of damages for motor vehicle physical damage;
 - "reasonable basis" means:
- The repair service is consistent with specifications established by law or the manufacturer of the motor vehicle, component or part; and
 - the repair is in accordance with usual and customary services;
- "rebuilt part" or "reconditioned part" means a used part that has been inspected and remanufactured to restore functionality and performance;
- "repaired part" means a part on the original damaged motor vehicle that has been returned to its original form, fit, functionality and appearance by industry-accepted methods of repair;
- 42 "used part" means an original motor vehicle manufacturer part or 43 component removed from a motor vehicle of similar make, model and

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condition without the benefit of being rebuilt or remanufactured.

Sec. 3. (a) Every motor vehicle physical damage appraiser shall:

- (1) Give to each consumer a written appraisal for labor and parts for a specific repair; and (2) if at a repair facility, a physical damage appraiser shall leave a written copy of the appraisal at the time of the inspection with the repair facility and present a copy of the appraisal to the motor vehicle owner as soon as is practical following the inspection.
- (b) Physical damage appraisers shall describe in the appraisal the major parts needed to effectuate the repair and shall designate and indicate the parts as either new parts, used parts, rebuilt, repaired, reconditioned parts or after market parts.
- (c) Appraisals shall indicate that the physical damage appraiser used a published flat rate manual or automated system accepted by the collision and insurance industry to determine the cost of repairs to a motor vehicle. The flat rate manual or automated system shall be used in its entirety and without modifications to establish the cost of repairs to a motor vehicle. This is not to be construed as interfering with any direct repair contract that a repair facility may have with an insurance company or fleet owner.
- (d) If it is necessary to disassemble or partially disassemble a motor vehicle or motor vehicle component in order to provide the consumer a written appraisal for necessary repairs, the appraisal shall also show the cost of any disassembly, diagnostics, storage and administrative fees should the consumer elect not to proceed with the repair of the motor vehicle at the facility preparing the appraisal.
- (e) The appraisal shall include the date the estimate was prepared, the odometer reading and vehicle identification number on the motor vehicle at the time the appraisal was prepared.
- Sec. 4. (a) An appraisal of the damage shall be presented to the consumer at the time of the appraisal, or if at a repair facility, at the time of inspection of the motor vehicle, and to the motor vehicle owner within a reasonable time disclosing to the prospective consumer the appraised price quotation for repairs with the following statement included or attached with the consumer's signature:

"You are entitled to an appraisal for the repairs needed to restore your motor vehicle to a condition similar to the motor vehicle condition prior to the damage or deterioration. You are also entitled by law to select the repair facility of your choice to do the repairs."

- (b) If it is determined that the appraisal is insufficient because of unforeseen circumstances, the consumer is entitled to full disclosure of the cost of additional parts or labor needed to repair the motor vehicle.
- Sec. 5. It shall be a violation of this act for a motor vehicle physical damage appraiser to exhibit a pattern or practice of preparing written appraisals underestimating the final costs of repairs by more than 10% as

- 1 established by a reasonable basis.
- Sec. 6. (a) Any violation of this act is a deceptive act or practice under the Kansas consumer protection act.
- (b) This act shall be a part of and shall be supplemental to the Kansas consumer protection act.
- 6 Sec. 7. This act shall take effect and be in force from and after its publication in the statute book.