
A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE REPAIRS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Under Hawaii law, an insured may authorize a
2 motor vehicle repair provider to use an "aftermarket part" or a
3 like kind and quality part of an equal or better quality than
4 the original, if available, or an original part for body repair
5 work. If an insured chooses installation of an original
6 equipment manufacturer part, the insured must pay the difference
7 in cost between the aftermarket and original equipment
8 manufacturer part unless original equipment parts are required
9 by the vehicle's manufacturer's warranty. The price difference
10 between the original equipment manufacturer and aftermarket
11 parts can be considerable.

12 Several motor vehicle insurers already allow insureds, who
13 prefer original equipment manufacturer parts, to indicate their
14 preference. This enables consumers to choose appropriate
15 coverage meeting their needs. Requiring motor vehicle insurers
16 to provide consumers clear notice of this choice enables



1 consumers to make better decisions when purchasing motor vehicle
2 insurance.

3 The purpose of this Act is to require insurers to clearly
4 give consumers notice of the choice of whether to use an
5 aftermarket part, if available, or an original equipment
6 manufacturer part for motor vehicle body repair work, and that
7 notice must be given at the time the insurer offers new or
8 renewal motor vehicle policy coverage.

9 SECTION 2. Section 431:10C-313.6, Hawaii Revised Statutes,
10 is amended by amending subsection (a) to read as follows:

11 "(a) An insurer shall clearly make available a choice to
12 the insured, at the time the insurer offers new or renewal motor
13 vehicle policy coverage, of authorizing a repair provider to
14 utilize a like kind and quality part of an equal or better
15 quality than the original equipment manufacturer part if such
16 part is available or an original equipment manufacturer part for
17 motor vehicle body repair work. If the insured or claimant
18 chooses the use of an original equipment manufacturer part, the
19 insured or claimant shall pay the additional cost of the
20 original equipment manufacturer part that is in excess of the



1 equivalent like kind and quality part, unless original equipment
2 parts are required by the vehicle manufacturer's warranty."

3 SECTION 3. New statutory material is underscored.

4 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Motor Vehicle Insurance; Repairs; Original Equipment
Manufacturer Parts; Aftermarket Parts

Description:

Requires insurers to clearly give consumers notice of the choice of whether to use an aftermarket part, if available, or an original equipment manufacturer part for motor vehicle body repair work. (SB823 HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

