
A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE REPAIRS.

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

1 SECTION 1. The legislature finds that motor vehicle owners
2 have the right to expect that their vehicles are properly
3 repaired following a collision. The legislature further finds
4 that to reduce costs, some insurance companies only pay for
5 vehicle repairs made with aftermarket crash parts, despite
6 vehicle manufacturer recommendations to the contrary.

7 Furthermore, many motor vehicle insurers do not allow
8 insured consumers to decide whether repairs are made with
9 aftermarket crash parts or original equipment manufacturer crash
10 parts, and may refuse to reimburse insured consumers for the
11 additional costs of installing original equipment manufacturer
12 crash parts, even when necessary to restore a vehicle to its
13 pre-collision condition. The legislature also finds that
14 consumers should receive appropriate disclosures concerning
15 comparisons between and prices of aftermarket crash parts and
16 original equipment manufacturer crash parts.

17 The purpose of this Act is to:



- 1 (1) Require insurers to provide a clear choice to insured
2 consumers when offering a new or renewal motor vehicle
3 policy coverage to authorize a repair provider to
4 utilize a like kind and quality crash part or the
5 original equipment manufacturer crash part;
- 6 (2) Specify that an insured consumer who chooses the use
7 of an original equipment manufacturer crash part that
8 would affect the insured consumer's Advanced Driver
9 Assist Systems or safety systems shall not be required
10 to pay the additional cost of the original equipment
11 manufacturer crash part that is in excess of the
12 equivalent like kind and quality crash part; and
- 13 (3) Specify that an insured consumer who chooses the use
14 of an original equipment manufacturer crash part that
15 would not affect the insured consumer's Advanced
16 Driver Assist Systems or safety systems shall pay the
17 additional cost of the original equipment manufacturer
18 crash part that is in excess of the equivalent like
19 kind and quality crash part, unless the use of a like
20 kind and quality crash part would void an existing



1 manufacturer's warranty or the insured consumer's
2 vehicle lease agreement.

3 SECTION 2. Section 431:10C-313.6, Hawaii Revised Statutes,
4 is amended to read as follows:

5 "[+]§431:10C-313.6[+] Original equipment manufacturer's
6 and like kind and quality crash parts. (a) An insurer shall
7 clearly make available a choice to the insured consumer, at the
8 time the insurer offers a new or renewal motor vehicle policy
9 coverage, of authorizing a repair provider to utilize a like
10 kind and quality crash part of an equal or better quality than
11 the original equipment manufacturer crash part if [~~such~~] the
12 crash part is available or an original equipment manufacturer
13 crash part for motor vehicle body repair work. If the insured
14 consumer chooses the use of an original equipment manufacturer
15 crash part that would affect the insured consumer's Advanced
16 Driver Assist Systems or safety systems, the insured consumer
17 shall not pay the additional cost of the original equipment
18 manufacturer crash part that is in excess of the equivalent like
19 kind and quality crash part. If the insured [~~or claimant~~]
20 consumer chooses the use of an original equipment manufacturer
21 crash part [~~]~~ that would not affect the insured consumer's



1 Advanced Driver Assist Systems or safety systems, the insured
2 [~~or claimant~~] consumer shall pay the additional cost of the
3 original equipment manufacturer crash part that is in excess of
4 the equivalent like kind and quality crash part, unless
5 [~~original equipment parts are required by the vehicle~~
6 ~~manufacturer's warranty.~~] use of a like kind and quality crash
7 part would void an existing manufacturer's warranty or the
8 insured consumer's vehicle lease agreement.

9 (b) A like kind and quality crash part under subsection
10 (a), of an equal or better quality than the original equipment
11 manufacturer crash part, shall carry a guarantee in writing for
12 the quality of the like kind and quality crash part and the
13 equivalent performance in a vehicle's Advanced Driver Assist
14 Systems and safety systems for not less than ninety days or for
15 the same guarantee period as the original equipment manufacturer
16 crash part, whichever is longer. The guarantee shall be
17 provided by the insurer.

18 (c) Like kind and quality crash parts, certified [~~or~~] and
19 approved by governmental or industry organizations, shall be
20 utilized [~~if available~~].



1 (d) For any crash part authorized under subsection (a), a
2 repair provider shall:

3 (1) Provide an insured consumer with the cost of the
4 original equipment manufacturer crash part and the
5 like kind and quality crash part, which shall detail
6 the cost markup for each crash part; and

7 (2) Disclose to an insured consumer any potential impact
8 that use of a like kind and quality crash part may
9 have on a vehicle manufacturer's warranty, or whether
10 any crash part that meets the vehicle manufacturer's
11 specifications is acceptable for purposes of
12 maintaining or receiving benefits under the vehicle
13 manufacturer's warranty.

14 (e) This section shall apply to crash parts for vehicles
15 that are not more than ten years old, as of the date of the
16 collision.

17 (f) For the purposes of this section:

18 "Crash part" means an exterior sheet metal or plastic body
19 part, such as a hood, door, fender, bumper component, grille,
20 headlight, tail light or other lamp, or other cosmetic trim part
21 most frequently damaged in a vehicle accident.



1 "Like kind and quality" means an aftermarket part that is
2 not manufactured by the original vehicle manufacturer."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect on July 1, 2050, and
6 shall be repealed on July 1, 2029; provided that section
7 431:10C-313.6, Hawaii Revised Statutes, shall be reenacted in
8 the form in which it read on the day before the effective date
9 of this Act.

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Report Title:

Vehicle Repair Practices Task Force; Motor Vehicle Insurance; Repair; Original Equipment Manufacturer Crash Parts; Aftermarket Crash Parts

Description:

Requires insurers to provide a choice to the insured consumer of authorizing a repair provider to utilize a like kind and quality crash part or the original equipment manufacturer crash part. Specifies the circumstances when an insured consumer who chooses the use of an original equipment manufacturer crash part must pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent like kind and quality crash part. Defines crash part and like kind and quality. Sunsets 7/1/2029. Effective 7/1/2050. (SD1)

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