

SENATE BILL 1007

C4

7lr1563

By: **Senator Jennings**

Introduced and read first time: February 3, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Liability Insurance – Replacement Parts for Damaged Motor**
3 **Vehicles**

4 FOR the purpose of requiring an insurer that issues or delivers in the State a policy of
5 motor vehicle liability insurance that provides coverage for the repair of physical
6 damage to the insured motor vehicle to authorize certain repairs to be made using
7 certain original equipment manufacturer’s replacement crash parts or certified
8 aftermarket crash parts; authorizing an insured to consent in a certain manner to
9 the use of certain aftermarket crash parts; defining certain terms; providing for a
10 delayed effective date; and generally relating to repairs of damage to motor vehicles
11 insured under policies of motor vehicle liability insurance.

12 BY adding to
13 Article – Insurance
14 Section 27–908
15 Annotated Code of Maryland
16 (2011 Replacement Volume and 2016 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18 That the Laws of Maryland read as follows:

19 **Article – Insurance**

20 **27–908.**

21 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
22 INDICATED.

23 (2) “AFTERMARKET CRASH PARTS” MEANS CRASH PARTS:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(I) THAT ARE MANUFACTURED BY A PERSON OTHER THAN THE**
2 **ORIGINAL MANUFACTURER OF THE MOTOR VEHICLE TO BE REPAIRED; AND**

3 **(II) FOR WHICH THE ORIGINAL MANUFACTURER OF THE MOTOR**
4 **VEHICLE HAS NOT AUTHORIZED THE USE OF THE MANUFACTURER'S NAME OR**
5 **TRADEMARK BY THE MANUFACTURER OF THE CRASH PARTS.**

6 **(3) "CERTIFIED AFTERMARKET CRASH PARTS" MEANS CRASH PARTS**
7 **THAT:**

8 **(I) ARE CERTIFIED TO STANDARDS:**

9 **1. ESTABLISHED AND MADE PUBLICLY AVAILABLE BY A**
10 **NATIONALLY ACCREDITED DEVELOPER OF STANDARDS FOR CRASH PARTS THAT IS**
11 **EXEMPT FROM TAXATION UNDER § 501(C)(6) OF THE INTERNAL REVENUE CODE;**
12 **AND**

13 **2. DEVELOPED IN A CONSENSUS-BASED PUBLIC FORUM**
14 **THAT ALLOWS FOR PUBLIC COMMENT;**

15 **(II) TO VALIDATE COMPLIANCE WITH THE STANDARDS**
16 **DESCRIBED IN ITEM (I) OF THIS PARAGRAPH, ARE SUBJECT TO REGULAR TESTING**
17 **BY AN INDEPENDENT TESTING ORGANIZATION THAT HAS NO FINANCIAL INTEREST**
18 **IN, IS NOT A SUBSIDIARY OF, AND IS NOT OWNED, OPERATED, OR CONTROLLED BY**
19 **THE NATIONALLY ACCREDITED DEVELOPER OF STANDARDS THAT ESTABLISHED**
20 **THE STANDARDS DESCRIBED IN ITEM (I) OF THIS PARAGRAPH; AND**

21 **(III) ARE IDENTIFIED BY A HIGHLY VISIBLE CERTIFICATION**
22 **MARK WITH A NUMBER THAT IS:**

23 **1. UNIQUE TO A PARTICULAR CRASH PART; AND**

24 **2. DESIGNED TO MAINTAIN A RECORD OF THE CRASH**
25 **PART SO THAT THE CRASH PART IS TRACEABLE TO THE ORIGINAL MANUFACTURER**
26 **OF THE CRASH PART.**

27 **(4) (I) "CRASH PARTS" MEANS EXTERIOR OR INTERIOR SHEET**
28 **METAL OR FIBERGLASS PANELS, LIGHTING, AND PARTS THAT FORM THE**
29 **SUPERSTRUCTURE OR BODY OF A MOTOR VEHICLE.**

30 **(II) "CRASH PARTS" INCLUDES:**

31 **1. FENDERS;**

- 1 **2. BUMPERS;**
- 2 **3. DOOR PANELS;**
- 3 **4. HOODS;**
- 4 **5. GRILLS;**
- 5 **6. WHEEL WELLS; AND**
- 6 **7. FRONT AND REAR LAMP DISPLAY PANELS.**

7 **(5) “ORIGINAL EQUIPMENT MANUFACTURER’S REPLACEMENT CRASH**
8 **PARTS” MEANS CRASH PARTS THAT ARE:**

9 **(I) MANUFACTURED BY OR FOR THE ORIGINAL**
10 **MANUFACTURER OF THE MOTOR VEHICLE TO BE REPAIRED; AND**

11 **(II) AUTHORIZED TO CARRY THE NAME OR TRADEMARK OF THE**
12 **ORIGINAL MANUFACTURER OF THE MOTOR VEHICLE.**

13 **(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN INSURER**
14 **THAT ISSUES OR DELIVERS IN THE STATE A POLICY OF MOTOR VEHICLE LIABILITY**
15 **INSURANCE THAT PROVIDES COVERAGE FOR THE REPAIR OF PHYSICAL DAMAGE TO**
16 **THE INSURED MOTOR VEHICLE SHALL AUTHORIZE REPAIRS TO BE MADE TO THE**
17 **INSURED MOTOR VEHICLE USING ORIGINAL EQUIPMENT MANUFACTURER’S**
18 **REPLACEMENT CRASH PARTS OR CERTIFIED AFTERMARKET CRASH PARTS**
19 **SUFFICIENT TO MAINTAIN THE MANUFACTURER’S WARRANTY FOR FIT, FINISH,**
20 **STRUCTURAL INTEGRITY, CORROSION RESISTANCE, DENT RESISTANCE, AND CRASH**
21 **PERFORMANCE.**

22 **(2) AN INSURED MAY CONSENT IN WRITING AT THE TIME OF REPAIR**
23 **OF THE INSURED MOTOR VEHICLE TO THE USE OF AFTERMARKET CRASH PARTS.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 January 1, 2018.