SENATE DOCKET, NO. 896 FILED ON: 1/17/2013

SENATE . . . . . No. 497

The Commonwealth of Massachusetts

PRESENTED BY:

James T. Welch

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act reforming labor rates paid by insurance companies to auto repairers in the Commonwealth.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
James T. Welch	*Hampden*
Michael J. Rodrigues	*First Bristol and Plymouth*
Michael J. Finn	*6th Hampden*
Michael R. Knapik	*Second Hampden and Hampshire*
Michael O. Moore	*Second Worcester*
Colleen M. Garry	*36th Middlesex*
James J. Dwyer	*30th Middlesex*
Sal N. DiDomenico	*Middlesex and Suffolk*
Benjamin B. Downing	*Berkshire, Hampshire, Franklin and Hampden*
Daniel A. Wolf	*Cape and Islands*
Bruce E. Tarr	*First Essex and Middlesex*
James B. Eldridge	*Middlesex and Worcester*

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SENATE . . . . . No. 497

By Mr. Welch, a petition (accompanied by bill, Senate, No. 497) of James T. Welch, Michael J. Rodrigues, Michael J. Finn, Michael R. Knapik and other members of the General Court for legislation to reform labor rates paid by insurance companies to auto repairers in the Commonwealth. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
HOUSE
, NO. *4550* OF 2011-2012.]

The Commonwealth of Massachusetts

An Act reforming labor rates paid by insurance companies to auto repairers in the Commonwealth.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 100A of the General Laws is hereby amended by inserting after section 14 the following section:-

Section 15. The commissioner of insurance shall set the minimum hourly labor rate that insurers shall pay on insured claims for repairs made by registered motor vehicle repair shops. The rate shall be the minimum rate paid by insurers on all Massachusetts insured motor vehicle damage claims and shall be the average of the hourly rates paid by insurers for motor vehicle damage repairs in Connecticut, Maine, New Hampshire, Rhode Island and Vermont. In determining the average of rates, the commissioner shall utilize data available from independent collision repair estimating services. Upon setting the rate, the commissioner shall have the discretion to adjust the hourly rate by not more than 3 per cent greater or 3 per cent less than said average. The commissioner shall review the hourly labor rate once every 3 years to make readjustments as necessary; provided, however, that the commissioner shall provide a report of any proposed new rate to the joint committee on financial services 15 days before promulgation. The commissioner shall adopt regulations for the administration and enforcement of this section.

SECTION 2. Section 113B of chapter 175 of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by inserting, after the word "commissioner" in line 14, the

17 following:- ; provided, however, that collision repair hourly labor rates, set pursuant to section
18 15 of chapter 100A, shall not be included when considering programs to control costs and
19 expenses under this section or section 113H.