

**SENATE . . . . . No. 2477**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Nine**  
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An Act expanding automobile insurance coverage options to include the diminished value of automobiles..

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

1 SECTION 1. Section 34O (2) of Chapter 90 of the General Laws is hereby amended by  
2 deleting the twelfth paragraph, and inserting, in place thereof, the following:-

3 Subject to such stated limits and conditions, exclusions, and limitations as may be  
4 approved by the commissioner, the insurer shall offer additional coverage, optional to the  
5 insured, for resulting loss of use of the insured vehicle, or diminished value of the insured  
6 vehicle resulting from a collision at the fault of an identified negligent third party.

7 SECTION 2. Section 34O (2) of chapter 90 of the General Laws is hereby further  
8 amended by deleting the fourteenth paragraph, and inserting in place thereof, the following:-

9 Notwithstanding the previous paragraph or any other law, an insurer may file a plan for  
10 approval by the commissioner providing for direct payment by the insurer to the insured for the  
11 loss of or damage to the insured motor vehicle, or diminished value of the insured vehicle  
12 resulting from a collision at the fault of an identified negligent third party, under collision  
13 coverage or limited collision coverage policies prior to receipt by the insurer of a claim form

14 from the insured stating that the repair work described in an appraisal made pursuant to  
15 regulations promulgated by the auto damage appraisers licensing board has been completed.  
16 Such plan shall not be approved unless it: (a) provides for a procedure acceptable to the  
17 commissioner to resolve any dispute between the insured and the insurer as to the adequacy of  
18 the payment; (b) provides for adequate disclosure to the insured of his or her rights hereunder;  
19 and (c) contains such other terms and conditions as the commissioner shall prescribe.