

HOUSE No. 3559

The Commonwealth of Massachusetts

PRESENTED BY:

Louis L. Kafka

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 adoption of the accompanying bill:

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

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Louis L. Kafka</i>	<i>8th Norfolk</i>	<i>1/16/2019</i>
<i>Michael D. Brady</i>	<i>Second Plymouth and Bristol</i>	<i>1/31/2019</i>
<i>Joseph F. Wagner</i>	<i>8th Hampden</i>	<i>1/31/2019</i>
<i>James K. Hawkins</i>	<i>2nd Bristol</i>	<i>2/1/2019</i>

HOUSE No. 3559

By Mr. Kafka of Stoughton, a petition (accompanied by bill, House, No. 3559) of Louis L. Kafka and others relative to the minimum hourly labor rate for repairs made by registered motor vehicle repair shops by insurers on insured claims. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

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:

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

3 Section 15. The commissioner of insurance shall set the minimum hourly labor rate that
4 insurers shall pay on insured claims for repairs made by registered motor vehicle repair shops.
5 The rate shall be the minimum rate paid by insurers on all Massachusetts insured motor vehicle
6 damage claims and shall be the average of the hourly rates paid by insurers for motor vehicle
7 damage repairs in Connecticut, Maine, New Hampshire, Rhode Island and Vermont. In
8 determining the average of rates, the commissioner shall utilize data available from independent
9 collision repair estimating services. Upon setting the rate, the commissioner shall have the
10 discretion to adjust the hourly rate by not more than 3 per cent greater or 3 per cent less than said
11 average. The commissioner shall review the hourly labor rate once every 3 years to make
12 readjustments as necessary; provided, however, that the commissioner shall provide a report of

13 any proposed new rate to the joint committee on financial services 15 days before promulgation.

14 The commissioner shall adopt regulations for the administration and enforcement of this section.

15 SECTION 2. Section 113B of chapter 175 of the General Laws, as appearing in the 2010

16 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.