STATE OF NEW YORK

5762

2017-2018 Regular Sessions

IN SENATE

April 28, 2017

Introduced by Sen. DeFRANCISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law and the insurance law, in relation to requiring types of replacement crash parts used in automobile collision repairs be disclosed to vehicle owners and written authorization to use specified parts be obtained prior to installation

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 398-d of the vehicle and traffic law is amended by adding a new subdivision 2-a to read as follows:

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2-a. (a) No motor vehicle repair shop shall use or install any type or types of replacement crash parts for the repair of a collision damaged vehicle without disclosing the type or types of replacement crash parts to the vehicle owner or the vehicle owner's authorized representative and obtaining written authorization therefrom. The following "Replacement Crash Parts Notice and Authorization Form", reproduced in 12 point 9 type or larger, shall be attached to a copy of the collision repair estimate and shall be signed by the vehicle owner or the vehicle owner's 10 authorized representative prior to the use or installation of any such parts:

Replacement Crash Parts Notice and Authorization Form NOTICE TO CONSUMER:

1. "Replacement crash parts" are the parts which are typically replaced during the repair of a damaged vehicle. These parts are made of sheet metal, plastic, fiberglass or similar material, including a door, fender, panel, bumper, hood, floor or trunk lid, but not including windows or hubcaps, and constitute or provide support for the motor <u>vehicle's exterior.</u>

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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2. The type(s) of replacement crash parts listed on your estimate/repair order # (copy attached) are from the categories checked below.

- 3. Warranties for the type(s) of replacement parts listed below are provided by the Manufacturer or Distributor of the replacement parts. Warranty coverage varies. Ask your insurer or collision repair professional for specific, written warranty information. Additional warranties for replacement crash parts will be provided by
- 4. Replacement Crash Parts Types:
- () New Original Equipment Manufacturer (OEM) Replacement Crash Parts: Parts which are made by the vehicle manufacturer or one of its licensees and distributed through its normal channels. These parts maintain the OEM Vehicle Factory Warranty for the replaced parts and any other adjoining or associated OEM part or systems.
- () New Aftermarket Replacement Crash Parts: Parts which are made by companies other than the vehicle manufacturer or its licensee. All parts in this category are warranted by the distributor and/or manufacturer of these parts.
- () Recycled/recyclable Replacement Crash Parts: Used parts which have been removed from another vehicle. All parts in this category are warranted by the salvage vendor.
- Re-manufactured Replacement Crash Parts: Parts which have been returned to like-new condition by repairing, re-machining or re-building. All parts in this category are warranted by the re-manufacturer of the part.
- I understand that my vehicle will be repaired using the parts described above, and I authorize the repair shop to install those parts.

Customer Signature Date

(b) Notwithstanding the provisions of paragraph (a) of this subdivision, only new original equipment manufacturer (OEM) replacement crash parts may be used on any vehicle during the year of manufacture and for the two succeeding years thereafter, or for the duration of the vehicle

manufacturer's new-vehicle and/or sheet-metal or body parts warranty, whichever is longer.

§ 2. Subsection (n) of section 3411 of the insurance law is relettered subsection (o) and a new subsection (n) is added to read as follows:

(n) No insurer shall directly or indirectly require the use or installation of any type or types of replacement crash part for the repair of a collision damaged vehicle, without disclosing the type or types of replacement crash parts to the vehicle owner or the vehicle owner's authorized representative, as provided in subdivision two-a of section three hundred ninety-eight-d of the vehicle and traffic law. In addition, only new original equipment manufacturer (OEM) replacement crash parts may be used on any vehicle during the year of manufacture and for two succeeding years thereafter, or for the duration of the vehicle manufacturer's new vehicle and/or sheet-metal or body parts warranty, whichever is longer. In the event replacement crash parts are used or installed which are other than new original equipment manufacturer (OEM) replacement crash parts, and such parts are ill-fitting and require additional labor and materials in their installation or use, the insurer 54 shall be responsible for the cost of such additional labor and materials.

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1 § 3. This act shall take effect on the first of January next succeed2 ing the date on which it shall have become a law, provided, however,
3 that effective immediately, the commissioner of motor vehicles and the
4 superintendent of financial services shall promulgate such rules and
5 regulations as are necessary to implement the provisions of this act on
6 or before such date.