



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB4561

by Rep. Linda Chapa LaVia

SYNOPSIS AS INTRODUCED:

215 ILCS 5/155.46 new
815 ILCS 505/2VVV new

Amends the Illinois Insurance Code. Provides certain restrictions on an adjuster, insurer, insurance producer, or other representative of an insurer who issues policies of automobile insurance concerning motor vehicle repairs. Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that certain acts by a repair shop in connection with a repair of damage to a motor vehicle are unlawful practices within the meaning of the Act. Effective immediately.

LRB100 16798 SMS 31938 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding
5 Section 155.46 as follows:

6 (215 ILCS 5/155.46 new)

7 Sec. 155.46. Motor vehicle repairs.

8 (a) As used in this Section, "repair shop" means a business
9 that repairs damage to motor vehicles. "Repair shop" includes a
10 body shop.

11 (b) An adjuster, insurer, insurance producer, or other
12 representative of an insurer who issues a policy of automobile
13 insurance as defined in Section 143.13 shall not do any of the
14 following in connection with a motor vehicle repair:

15 (1) limit the ability of an insured or claimant to
16 choose the repair shop;

17 (2) require an insured or claimant to present the claim
18 or motor vehicle for loss adjustment or inspection at a
19 drive-in claim center or similar facility that is solely
20 controlled by the insurer;

21 (3) engage in a boycott, intimidation, or coercive acts
22 in connection with negotiations concerning repairs to a
23 damaged motor vehicle that the insurer is liable under an

1 insurance policy;

2 (4) except in an emergency, attempt to secure the
3 insured's or claimant's signature authorizing the person
4 securing the signature to act on behalf of the insured or
5 claimant in selection of a repair shop;

6 (5) adjust a damage appraisal made by a repair shop
7 while the extent of damage is in dispute without conducting
8 a physical inspection of the motor vehicle;

9 (6) specify the use of a particular vendor for the
10 procurement of parts or other materials necessary for the
11 satisfactory repair of the motor vehicle; this paragraph
12 does not require an insurer to pay an amount greater than a
13 reasonable market price for parts or materials of like kind
14 and quality in adjusting a claim; or

15 (7) unilaterally and arbitrarily disregard a repair
16 operation or cost identified by an estimating system, the
17 use of which has been agreed to by the insurer and the
18 repair shop for determining the cost of the repair.

19 Section 10. The Consumer Fraud and Deceptive Business
20 Practices Act is amended by adding Section 2VVV as follows:

21 (815 ILCS 505/2VVV new)

22 Sec. 2VVV. Motor vehicle repairs.

23 (a) As used in this Section, "repair shop" means a business
24 that repairs damage to motor vehicles. "Repair shop" includes a

1 body shop.

2 (b) It is an unlawful practice within the meaning of this
3 Act for a repair shop to do any of the following in connection
4 with a repair of damage to a motor vehicle:

5 (1) coerce or intimidate the insured or claimant to
6 boycott an insurer's drive-in claim center or similar
7 facility;

8 (2) except in an emergency, attempt to secure the
9 insured's or claimant's signature authorizing the person
10 securing the signature to act on behalf of the insured or
11 claimant in selection of a repair shop; or

12 (3) unreasonably deny an insurer's representative
13 access to the repair shop during normal business hours to
14 inspect or reinspect a damaged motor vehicle.

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.