

SENATE BILL NO. 2358

Introduced by

Senators Schobinger, Fischer, Krebsbach, Stenehjem

Representatives Berg, Warner

1 A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota
2 Century Code, relating to use of replacement crash parts in motor vehicle repairs.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new section to chapter 51-07 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Motor vehicle replacement crash parts - Insurance requirements.**

- 7 1. In this section, unless the context otherwise requires:
- 8 a. "Insurer" means an insurance company or any person authorized to represent
9 the insurance company with respect to a motor vehicle collision repair claim.
- 10 b. "New aftermarket replacement crash part" means a part made by a person
11 other than the motor vehicle manufacturer or the manufacturer's licensee.
- 12 c. "New original equipment manufacturer replacement crash part" means a part
13 manufactured by an original motor vehicle manufacturer or the manufacturer's
14 licensee which is not older than the motor vehicle being repaired with the part.
- 15 d. "Recycled replacement crash part" means a recyclable part or assembly from
16 a salvaged motor vehicle.
- 17 e. "Remanufactured replacement crash part" means a part returned to like-new
18 condition by repairing, remachining, or rebuilding.
- 19 f. "Repair facility" means a collision repair center, a repair shop, a vehicle
20 dealer, or any entity that repairs motor vehicle collision damage.
- 21 g. "Replacement crash part" means a part typically replaced during repair of a
22 damaged motor vehicle, including exterior sheet metal and any plastic
23 component such as a fender, hood, door, bumper system, or related structural
24 component.

2. Before a repair facility installs any type of replacement crash part, the repair facility shall disclose each type of replacement crash part that will be installed and obtain authorization from the motor vehicle owner or the owner's authorized representative. If a collision repair estimate of repair costs is based on the usage of new aftermarket parts, the repair facility shall notify the owner or owner's representative of the specific use of these parts.
3. The following "Replacement Crash Parts Notice and Authorization Form", reproduced in ten-point type or larger, must be attached to a copy of the collision repair estimate and must be given to the motor vehicle owner or the motor vehicle owner's authorized representative before any replacement crash part is installed subject to the conditions in subsection 4:

NOTICE TO CONSUMER

1. A replacement crash part is a part typically replaced during the repair of a damaged motor vehicle, including exterior sheet metal and plastic components including fenders, hoods, doors, bumper systems, and related structural components.
2. The types of replacement crash parts listed on your estimate or repair order No. _____ (copy attached) are from the categories checked below.
3. Warranties for the types of replacement crash parts listed below are provided by the manufacturer or distributor of the replacement parts. Warranty coverage varies. Ask your insurer or repair facility for specific, written warranty information. Additional warranties for replacement crash parts will be provided by _____.
4. Replacement crash parts types:
 - a. New Original Equipment Manufacturer - A part that is made by the motor vehicle manufacturer or the manufacturer's licensee and distributed through the manufacturer's normal channels.
 - b. New Aftermarket - A part that is made by a person other than the motor vehicle manufacturer or the manufacturer's licensee.
 - c. Recycled - A used part that is removed from another motor vehicle.

- 1 d. Remanufactured - A part that is returned to like-new condition by
2 repairing, remachining, or rebuilding.
- 3 4. If a motor vehicle requires repair by a repair facility, a repair facility shall use new
4 original equipment manufacturer replacement crash parts sufficient to maintain the
5 manufacturer's warranty for fit, finish, structural integrity, corrosion resistance, dent
6 resistance, and crash performance unless the motor vehicle owner consents at the
7 time of the repair to the use of parts other than new original equipment
8 manufacturer replacement crash parts. An insurance company may not require the
9 use of parts other than new original equipment manufacturer replacement crash
10 parts when negotiating with a facility for the repair of a motor vehicle, unless the
11 motor vehicle owner consents at the time of the repair to the use of parts other
12 than original equipment manufacturer replacement crash parts.
- 13 5. This section only applies to motor vehicles of a model released in the current
14 calendar year or in the seven calendar years before the current calendar year.
15 This section only applies to a passenger motor vehicle or a truck the gross weight
16 of which does not exceed ten thousand pounds [4535.92 kilograms].