

**January 21, 2025**

**RE: OPPOSE, HB1359 Auto Repair Shop**

Good morning/ Afternoon, Mr. Chairman, members of the committee, my name is Brooke Kelley and I'm the Assistant Vice President of State Government relations for the American Property Casualty Insurance Association, better known as APCIA. APCIA is the primary national trade association for home, auto, and business insurers. Our mission is to promote and protect the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. I'm here today on behalf of over 1200 APCIA member companies, who together write nearly 60 percent of the auto insurance written in the US.

In North Dakota, APCIA's members write more than \$9.1 billion in property and casualty insurance premiums. We respectfully submit the following comments in opposition to **HB1359**.

APCIA strongly supports consumer choice in collision repairs. Direct repair programs serve a critical role in providing consumers with more choices and valuable information when it comes to auto body repairs. The benefits of these programs are well-documented, and it is vital to recognize the positive impact they have on the consumer experience.

Taking away direct repair programs takes away informed consumer choice. Numerous court cases, including the precedent-setting case in Texas, *Allstate v. Abbott*, have affirmed that consumers benefit from having access to information about repair options. By eliminating these programs, we would be withholding information from consumers, thus limiting their ability to make informed decisions. As the judge in *Allstate v. Abbot* wrote in his order upholding an auto insurers right to commercial free speech, consumers never benefit from less information.

Consumers who use a direct repair facility can be assured that their vehicles are being repaired at a shop that has met a set of strict criteria designed to ensure quality standards of repair, reasonable prices, convenience and customer satisfaction.

Automobile accidents are inherently stressful and inconvenient. Direct repair programs simplify the repair process, allowing repairs to begin immediately and coordinating logistics like estimates and rental cars. This support reduces the burden on consumers during a challenging time. Of course, there are one off situation where the experience for a customer is not perfect – but those are one off situations and the benefits of having this type of program outweigh removing them all together.



Removing these programs would complicate this process and detract from the convenience that consumers currently enjoy. With direct repair programs, consumers can return to their vehicles faster. The insurance adjuster's involvement is streamlined, meaning fewer delays and a quicker resolution. If these programs are taken away, we run the risk of increasing repair times, leading to longer periods without personal transportation—an inconvenience that many working families cannot afford.

Lastly, it is essential to recognize that insurers are committed to maintaining a positive relationship with their policyholders. A negative claims experience could lead to the loss of long-term customers. Direct repair programs align with insurers' goals to provide quality service and satisfaction, which ultimately benefits consumers. In conclusion, I urge you to consider the profound impact **HB 1359** would have on consumers across North Dakota. Direct repair programs empower individuals, provide essential quality assurance, and streamline the repair process. Taking these options away would harm consumers and negate the advantages that have been recognized in other states.

Thank you, and I would be happy to answer any questions.