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# A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE REPAIRS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that motor vehicle owners  
2 have the right to expect that their vehicles are repaired  
3 properly following a collision. Proper repairs include the  
4 installation of original equipment manufacturer parts, that is,  
5 the parts that vehicle manufacturers have tested and engineered  
6 to ensure proper fit, function, and most importantly, safety.  
7 Repairing vehicles with original equipment manufacturer parts  
8 helps to ensure the safety and proper performance of repaired  
9 motor vehicles.

10           The legislature further finds that to reduce costs, some  
11 insurance companies only pay for vehicle repairs made with  
12 aftermarket parts, despite vehicle manufacturer recommendations  
13 to the contrary. These aftermarket parts, also called non-  
14 original equipment manufacturer parts or generic parts, are not  
15 made by the original manufacturer and can be unsafe because they  
16 are not crash-tested and are inferior to original equipment  
17 manufacturer parts in fit and finish.



1           Furthermore, many motor vehicle insurers do not allow  
2 insureds to decide whether repairs are made with aftermarket  
3 parts or original equipment manufacturer parts, and they may in  
4 fact refuse to reimburse insureds for the additional costs of  
5 installing original equipment manufacturer parts, even when  
6 necessary to restore a vehicle to its pre-collision condition.  
7 This practice of the insurance industry has resulted in lawsuits  
8 across the nation when aftermarket parts installed in repaired  
9 vehicles have failed in subsequent collisions.

10           The purpose of this Act is to establish a vehicle repair  
11 practices task force within the department of commerce and  
12 consumer affairs to address the concerns of consumers with  
13 regard to the use of original equipment manufacturer parts or  
14 aftermarket parts in the repair of their vehicles.

15           SECTION 2. (a) There is established within the department  
16 of commerce and consumer affairs, the vehicle repair practices  
17 task force. The task force shall address the concerns of  
18 consumers with regard to the use of original equipment  
19 manufacturer parts or aftermarket parts in the repair of their  
20 vehicles. The task force shall submit a report with findings  
21 and recommendations, including proposed legislation, to the



1 legislature no later than twenty days prior to the convening of  
2 the regular session of 2019. The report shall address and  
3 include:

- 4 (1) Current motor vehicle insurance practices and  
5 coverages in Hawaii and nationally for repairs to  
6 insured vehicles, including coverage options and costs  
7 relating to the use of original equipment manufacturer  
8 parts or aftermarket parts in repairing an insured  
9 vehicle;
- 10 (2) Studies by nationally accredited institutions or  
11 government agencies regarding the fitness, quality,  
12 and safety of aftermarket vehicle parts in comparison  
13 to comparable original equipment manufacturer parts;
- 14 (3) A cost-benefit analysis of the consumer using original  
15 equipment manufacturer parts or aftermarket parts in  
16 repairing the consumers vehicle; and
- 17 (4) Proposed legislation to provide affordable, safe, and  
18 reliable vehicle repair options to Hawaii's consumers,  
19 including legislation focused on businesses related to  
20 repairing vehicles and insuring vehicles.



1 (b) The director of commerce and consumer affairs shall be  
2 the chair of the vehicle repair practices task force, who shall  
3 invite as members of the task force:

- 4 (1) Two members from the insurance industry;
- 5 (2) Two members from the vehicle repair industry; and
- 6 (3) One member from the aftermarket parts industry.

7 The members of the task force shall serve without  
8 compensation, and all necessary expense, including travel  
9 expenses, shall be paid by the department of commerce and  
10 consumer affairs. No member shall be made subject to section  
11 84-17, Hawaii Revised Statutes, solely because of that member's  
12 participation as a member of the task force. The task force  
13 shall be exempt from chapter 92, Hawaii Revised Statutes.

14 (c) The vehicle repair practices task force shall dissolve  
15 on June 30, 2019.

16 SECTION 3. This Act shall take effect on July 1, 3000.



**Report Title:**

Vehicle Repair Practices Task Force; Motor Vehicle Insurance;  
Repair; Original Equipment Manufacturer Parts; Aftermarket Parts

**Description:**

Establishes Vehicle Repair Practices Task Force to study and  
report, among other things, vehicle repairs made with and  
insurance coverage of original equipment manufacturer parts or  
aftermarket parts. (HB1620 HD1)

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