

REVENUE: No revenue impact

FISCAL: No fiscal impact

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<b>Action:</b>	Do Pass
<b>Vote:</b>	5 - 0 - 2
<b>Yeas:</b>	Bonamici, Gilliam, Girod, Riley, Holvey
<b>Nays:</b>	0
<b>Exc.:</b>	Galizio, Nelson
<b>Prepared By:</b>	Steve Dixon, Administrator
<b>Meeting Dates:</b>	5/21, 5/23

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**WHAT THE MEASURE DOES:** Requires person adjusting the claim on behalf of the insurance company to inform consumers of their rights to get their car repaired at the shop of their choosing before recommending a certain repair shop. Requires written notice to be sent to consumer within three days if consumer chooses the recommended repair shop. Prescribes notice.

**ISSUES DISCUSSED:**

- Current statute and the need for consumer notification
- Benefits and problems with insurer-preferred shops
- Effects of steering consumers to preferred shops of competitors
- How the collision repair industry operates generally

**EFFECT OF COMMITTEE AMENDMENT:** No Amendment.

**BACKGROUND:** ORS 746.280 currently prohibits an insurance company from requiring that a particular repair shop make repairs in order to recover funds from a motor vehicle insurance policy. SB 523 A requires that the prohibition be stated prior to an insurer giving a recommendation and that the prohibition be given to the consumer in writing within three days if the consumer accepts the insurer's recommendation.