

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass the A-Engrossed Measure
Vote: 3 - 2 - 0
Yeas: Burdick, Rosenbaum, Bonamici
Nays: George, Girod
Exc.: 0
Prepared By: Lori Brocker, Administrator
Meeting Dates: 3/12, 3/24

WHAT THE MEASURE DOES: Requires insurer to provide written documentation to support valuation when vehicle is declared a total loss. Outlines information to be included in written documentation. Requires insurer, after certain conditions are met, to pay amount not in dispute when there is disagreement over value of totaled vehicle. Requires insurer to reimburse insured's reasonable appraisal costs if appraised value is greater than insurer's final offer.

ISSUES DISCUSSED:

- Vehicle valuation forms
- Appraisal cost
- Impact of acceptance of payment on insured's rights
- Advance of payment to third-party owner

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Total loss occurs when an insurer decides a car would cost more to repair than the car's current value. The Department of Consumer and Business Services' Insurance Division receives more complaints about total loss disputes than any other insurance-related issue. House Bill 2190A requires an insurer to provide a written explanation describing the method used to value the car, mandates prompt payment of the settlement amount not in dispute, and obligates an insurer to cover the cost of appraisal when it results in a value higher than the insurer's final settlement offer.