

**REVENUE: No revenue impact**

**FISCAL: No fiscal impact**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	7 - 3 - 0
<b>Yeas:</b>	Barton, Cowan, Krieger, Matthews, Riley, Tomei, Holvey
<b>Nays:</b>	Gilliam, Weidner, Wingard
<b>Exc.:</b>	0
<b>Prepared By:</b>	Victoria Cox, Administrator
<b>Meeting Dates:</b>	1/28, 2/1, 2/16

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**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 to pay amount not in dispute when there is disagreement over value of totaled vehicle. Allows owner of totaled vehicle to recover reasonable appraisal costs from insurer when appraised value is greater than insurer's final offer.

**ISSUES DISCUSSED:**

- Consumer need to expedite settlement
- Salvage value to insurer
- Consumer share of appraisal cost
- Post settlement legal liability of first party when policy limit is exceeded

**EFFECT OF COMMITTEE AMENDMENT:** Specifies written documentation to include any appraisals relied on by the insurer and a form provided by the Department of Consumer and Business Services with information about total loss, vehicle valuation, duties of the insurer and how to contact the Department. Requires that vehicle owner agree to transfer ownership to insurer prior to payment of amount not in dispute.

**BACKGROUND:** Total loss cases (where an insurer decides a car would cost more to repair than it is worth) constitute a larger portion of complaints to the Department of Consumer and Business Services Insurance Division than any other insurance related issue. HB 2190 A requires the 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 insurer to cover cost of appraisal when it results in a value higher than the insurer's final settlement offer.