

February 5, 2026

House Committee on Commerce and Consumer Protection

**Please Vote YES on HB 4098**

To Chairperson Sosa and members of the Committee,

My name is Bob Knodel and I am the owner of Silver Creek Auto Body in Silverton Oregon. Our repair facility has been serving the people of the Willamette Valley faithfully since our humble beginnings in 1993. We are a factory certified collision center that is solely focused on repairing our customers' vehicles safely and properly by following the guidelines presented by the entity that designed the vehicles we repair, the vehicle manufacturer.

The cost of properly training technicians, required equipment, number and cost of increased production and administration staff is greatly increased when the proper method of repair is adopted in a collision repair business. That being said, it is imperative that the most updated method of repair is followed to correctly repair today's advanced vehicles. Yesterday's method of collision repair is simply too much of a liability to continue to follow. Yet insurance companies today are still following the delusion that today's modern vehicles can be properly repaired with methods consisting of collision repairs procedures from twenty years ago. They are also under the delusion that repairs today should cost the same as twenty years ago, which could not be further from the truth.

Proper repair methods require the use of vehicle manufacturer procedures to properly repair a vehicle that has been involved in a collision. For example, to replace the quarter panel on a new Toyota Highlander, an estimator from the collision shop must look up the replacement procedure, determine the type of alloy the damaged part and mating surface consist of, determine the manufacturers limit on heat dispersion, decipher the point in which the manufacturer allows the part to be sectioned, disable the high current electrical systems, disconnect all factory wire harnesses into the air bag control modules, inspect all air bag components for undetermined diagnostic trouble code partial deployment and all procedures for safe and proper removal of adjacent panel parts from the vehicle. Not to mention that all of the Advanced Diagnostic Safety Systems will need to be properly recalibrated by a highly trained individual with an expensive calibration system in a minimum of a 30'x30' level space. Did I mention that a gallon of today's factory equivalent automotive paint **costs** upwards of \$1200.00 and requires a highly trained journeyman refinish technician to properly apply the coatings to match the factory appearance? I digress...

The reason I am outlining the procedures we are required to follow to properly repair a vehicle is because we have been informed by multiple insurance company representatives that they do not

recognize required vehicle manufacturer procedures. Insurance representatives solely follow the third party estimating program guidelines even though the third party estimating platforms all distinctly state their programs are simply a “guideline” and actual repair procedures should be determined by a professional repair technician. This blatant tactic engaged by some insurance carriers, for the sole purpose of cheaper repairs, to ignore required procedures puts the customer at a distinct disadvantage.

Can you imagine as a paid portion of your employment contract, you are allowed to have three meals a year at a high-end steakhouse. You attempt to use that benefit and you are told by your boss that they must have a conversation with steakhouse before your meal is prepared. Now you are watching in horror as your boss, who knows nothing about cooking except the cost of the goods, attempts to force the chef to cook the meal based on cost alone? No recipe, no skill, just cost. You thought contracted meals were a great part of being employed at that business but now the meal is tasteless, not cooked properly and you now have food poisoning. That is what customers are dealing with every day when they are attempting to use their policy to repair their vehicle.

The shop must repair the vehicle properly since they are one hundred percent liable for the repair they perform on the customer’s vehicle. (See No. DC-15-09782 Seebachan V. John Eagle Collision Center for an optimal example) The insurance company is attempting to discredit the required procedures to obtain a much smaller settlement amount. The independent repair facility has a sole responsibility to their customer, the vehicle owner to repair their vehicle correctly. The customer is expected to be fully indemnified by the insurance carrier but the amount of the final bill and what the insurance carrier is attempting to settle are quite often, significantly far apart.

Some of the tactics being used by insurance companies to lower settlement offers are lowering labor rates to fictitious “Prevailing or Market Rates” with no proof of an actual survey of labor rates being used, sourcing non certified parts from across the nation from the cheapest vendor & requiring the use of the part price sourced, altering labor times in estimating databases with unfounded explanations that do not follow the procedure that is actually required, capping the amount paid for paint materials and rates, altering Oregon Statutes to fit their definition of a crash part, employing people to settle claims with no experience in the collision industry, removing the ability to respond via email or phone to the person handling the short paid amount (the collision shop is then required to start back over by submitting another supplement to the insurance companies claims portal). Forcing the vehicle owner to take their vehicle to a contracted shop so the insurance company has more control over how the vehicle is repaired which ultimately affects the settlement paid out. This creates a conflict of interest when the insurance company has control over HOW the vehicle is repaired. How the vehicle is repaired should solely be determined by a repair professional

The average disparity between our repair facilities detailed, transparent final bill and the average insurance settlement offer is between \$350.00 and \$1,500.00. What does a customer do if they encounter this gap in settlement vs final invoice from the shop? If they are an insured, they can engage

the Right to Appraisal in their policy to settle the difference with independently hired, third party appraisers. But some insurance carriers have deleted the right to appraisal from their policy so, the right to appraisal is not an option. If you are a claimant, you can engage your own personal auto policy to attempt a proper settlement which is called subrogation. If you are again dealing with one of the companies that has removed the right to appraisal and you are in the same position of owing the difference to the collision shop if that insurance carrier decided to use the same tactics as the prior insurance company that shorted the final settlement offer.

I have routinely consulted with shops across the nation and Oregon's protections for their consumers are far more detailed than most States. Statutes are not meant to be modified. Statutes are not meant to be ignored. Statutes are not "guidelines" but rather are the blueprint that must be followed to keep the citizens of Oregon safe. Statutes are put in place by the State of Oregon to protect its citizens against what is brazenly occurring daily when a customer is attempting to be indemnified for a covered auto collision loss. When an insurance company steps over the line, there must be a consequence that keeps them focused on the customers rights in lieu of their artificially inflated bottom line.

We as shop owners do not want to be in this position. Our job is to professionally repair vehicles back to pre-loss condition. If we supply the insurance company with itemized data proving required OEM procedures were used, parts were certified to be equal to OEM, detailed photos proving repairs were completed and invoices for all materials and paint, common sense will tell you the invoiced amount is just. We are instead living in an irrational environment where detailed data is provided to an insurance company, the data is ignored and the settlement is short paid based upon company policy instead of the customers policy. The customer needs an option that deters insurance companies from deviating from Oregon Statutes and the auto policy that the customer faithfully trusts will fully indemnify them in the unfortunate event of a vehicle collision.

**As a native to Oregon for 52 years, I believe we should have recourse when big business violates the law which is why I support HB4098 and I request your support in passing this extremely important legislation.**

Thank you,

Bob Knodel  
Silver Creek Auto Body  
503-873-1169  
[bob@silvercreekautobody.com](mailto:bob@silvercreekautobody.com)