

2022 Regular Session

SENATE BILL NO. 487

BY SENATOR MORRIS

INSURANCE POLICIES. Requires an insurer provide an insured a waiver of liability form to not hold a collision shop liable when certain repairs and services are not completed by the collision shop. (1/1/23)

1 AN ACT

2 To enact R.S. 22:1284.2, relative to insurance coverage for damage to a motor vehicle; to
3 provide for a waiver of liability against a collision shop under certain circumstances;
4 to provide terms and conditions; to provide rules and regulations; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1284.2 is hereby enacted to read as follows:

8 **§1284.2. Collision shop waiver of liability; rules and regulations**

9 **A. No collision shop or other entity that repairs or services damaged**
10 **motor vehicles shall be liable for failure to use parts that comply with the**
11 **manufacturer's specifications or testing requirements when the specifications**
12 **or testing requirements are clearly required or recommended in information or**
13 **literature from the manufacturer unless a waiver of liability is executed by the**
14 **insured.**

15 **B. The waiver of liability executed pursuant to this Section shall not**
16 **relieve the collision shop or other entity performing the repairs from the duty**
17 **of care or negligence in performing the repairs.**

1 C. If an accident, injury, or property damage occurs that is caused by the
 2 failure to perform the specific repairs or services according to the
 3 manufacturer's specifications and both the insurer involved and the insured
 4 refused to pay for the work as specified in the waiver of liability, then the
 5 collision shop or entity that performed the repairs or services shall not be held
 6 liable.

7 D. The commissioner shall promulgate rules and regulations concerning
 8 the waiver of liability form as provided in this Section when all of the following
 9 apply:

10 (1) The insurer refuses to pay the collision shop or other entity for
 11 repairs or services according to the manufacturer's specifications.

12 (2) The insured is notified in writing that the insurer refuses to pay the
 13 collision shop or entity for repairs or services to the motor vehicle according to
 14 the manufacturer's specifications and the insured is given the opportunity to
 15 pay for the repairs or services that are specifically listed in the notification to
 16 the insured.

17 (3) The repairs and services are clearly required or recommended by the
 18 manufacturer and the specifications are documented in information or
 19 literature provided by the manufacturer.

20 (4) The insured signs the waiver of liability that the collision shop or
 21 entity did not repair or service the motor vehicle according to the
 22 manufacturer's specifications.

23 Section 2. This Act shall become effective on January 1, 2023.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Beth O'Quin.

Proposed law requires the commissioner of insurance to promulgate certain rules and regulations relative to a waiver of liability (waiver) form when all of the following apply:

- (1) The insurer refused to pay the collision shop for repairs or services to bring the motor vehicle to manufacturer's specifications.

- (2) Requires the insurer notify the insured in writing that the insurer is not paying for repairs or services to bring a motor vehicle to manufacturer's specifications and provides the insured an opportunity to pay for the repairs or services that are specifically listed in the waiver to the insured.
- (3) The repairs and services are required or recommended by the manufacturer and are documented in information or literature from the manufacturer.
- (4) The insured signs the waiver if the collision shop did not repair or do the services to the motor vehicle's manufacturer's specifications.

Proposed law provides the waiver does not relieve the collision shop from the duty of care or negligence but only provides that if an accident, injury, or property damage occurs that is caused by not doing the manufacturer's specified repairs and both the insurer involved and the insured refused to pay for the specified repairs or services and the collision shop is not liable.

Effective January 1, 2023

(Add R.S. 22:1284.2)