Robert Godfrey
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RE: House Bills H6324 and H6325

Dear committee members,

I am writing in support of both of the above-mentioned Bills.

H6325 is needed to simply establish the definition of what a "used part" is. Currently there is no definition that exists. For decades it was generally accepted to refer to a used part as LKQ. This was an acronym for "Like Kind in Quality". Insurance companies preferred this as it sounded much better that "Used Part". LKQ was simplistic and seemed to be understood by all. Over time, and with the advent of "Aftermarket Parts" the manufacturers of these alternative new replacement parts also recognized the advantage of using the term "Like Kind in Quality" to refer to the parts that they sell. Currently LKQ now is more often used to define an "Aftermarket" part. Call it what you may, but a used part is a used part. It is now time to exactly define what a used part actually is. H6325 does just that.

This Bill is more precautionary at this point in time than anything else. For the most part the vast majority of insurers are already following the guidelines that are suggested in this Bill; however, there are a few outliers that are causing issues that delay the repairs and negatively impact the consumers.

Car manufacturers routinely will manufacture a part (such as a fender) that will be used in different model years. Since there is no current definition of what a used part is there are some rogue insurers think that it is perfectly acceptable to replace a part on a consumer's vehicle with a part that may be 3 to 5 years older. Consumers do not want a 2011 fender to replace the fender on their 2017 vehicle. They want the same year or newer! H6325 defines a used part as being of the same year or newer. This will benefit the consumer.

Some other unscrupulous insurers will also use multiple suppliers of used parts and locate used parts that are not easily deliverable as they may be hundreds of miles away and from suppliers that our local collision shops have no business connections with and no reason to trust. Payment must be made before they are shipped. This is a bad situation. Time delays in getting these long distant parts can and does have a negative effect on repairing a vehicle in a timely manner and could also negatively affect the consumer. The consumer wants their vehicles repaired in a timely manner and they do not want to hear that their temporary replacement vehicle has run out of coverage due to time delays!

H6324 addresses the cost of "paint, body and refinishing materials in auto body repair claims". These costs are an essential part of the collision repair to any vehicle as they account for about 12% of the entire cost of the repairs. To better understand this perhaps it should be viewed as a part such as a fender that needs to be purchased in order to complete the repairs.

When a vehicle is deemed to be a Total Loss what remains of the vehicle is called the "Salvage". It is to the consumers benefit that an insurer be truthful with the consumer and prove a written statement of

the owner's obligation and potential cost to dispose of or otherwise retain the salvage. H6324 does this and is good for the consumer.

In closing I would like to make it painfully aware to everyone that vehicles produced today are complex and are manufactured with an abundance of electronics and safety features designed to protect the occupants. The F35 Airforce fighter jet has a computer system with over 25 million lines of code. In comparison, the average vehicle produced today is controlled by a computer system with 100 million lines of written code or more! Before any collision repaired vehicle is returned to the owner it must be restored to its factory safety settings. For this reason, H6324 addresses the critical need to rely upon outside sublet services to assist in the repair process and to set standards in this area.

Thank you for your kind consideration.

Sincerely yours,

Robert Godfrey
Motor Vehicle Damage Appraiser
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