

REFERENCE TITLE: unlawful practices; motor vehicle repair

State of Arizona
House of Representatives
Fiftieth Legislature
Second Regular Session
2012

HB 2394

Introduced by
Representative McLain, Senator McComish

AN ACT

AMENDING TITLE 20, CHAPTER 2, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-463.02; RELATING TO UNLAWFUL PRACTICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Title 20, chapter 2, article 6, Arizona Revised Statutes,
3 is amended by adding section 20-463.02, to read:
4 20-463.02. Unlawful practices: motor vehicle repair:
5 policyholders: insurers
6 A. IT IS AN UNLAWFUL PRACTICE FOR A PERSON WHO REPAIRS MOTOR VEHICLES
7 TO KNOWINGLY:
8 1. SUBMIT A FALSE CLAIM TO AN INSURER FOR MOTOR VEHICLE REPAIR.
9 2. SUBMIT A CLAIM TO AN INSURER FOR FEES NOT DIRECTLY RELATED TO THE
10 REPAIR OF THE MOTOR VEHICLE UNLESS REQUIRED BY LAW. ALL FEES NOT REQUIRED BY
11 LAW MUST BE POSTED BY THE MOTOR VEHICLE REPAIR FACILITY. THE MOTOR VEHICLE
12 OWNER OR LESSEE MUST ACKNOWLEDGE IN WRITING THAT ANY FEES THAT ARE NOT
13 DIRECTLY RELATED TO THE REPAIR OF THE MOTOR VEHICLE OR REQUIRED BY LAW MAY BE
14 THE OWNER'S OR LESSEE'S RESPONSIBILITY.
15 3. SUBMIT A CLAIM TO AN INSURER FOR STORAGE FEES INCURRED UP TO THE
16 TIME THE MOTOR VEHICLE WAS DETERMINED TO BE A TOTAL LOSS IF THE MOTOR VEHICLE
17 REPAIR FACILITY WAS PAID BY THE INSURER FOR TEAR DOWN OR REPAIR SERVICES.
18 STORAGE FEES MAY ACCRUE FROM THE DATE THE INSURER DETERMINED THE MOTOR
19 VEHICLE TO BE A TOTAL LOSS.
20 4. ADVISE A POLICYHOLDER TO FALSIFY THE DATE OF DAMAGE TO THE MOTOR
21 VEHICLE THAT RESULTS IN A CHANGE OF INSURANCE COVERAGE FOR THE REPAIR.
22 5. FALSELY SIGN A WORK ORDER, INSURANCE ASSIGNMENT FORM OR OTHER
23 RELATED FORM ON BEHALF OF A POLICYHOLDER OR ANOTHER PERSON IN ORDER TO SUBMIT
24 A CLAIM TO AN INSURER FOR REPAIR TO THE MOTOR VEHICLE OR FOR RELATED
25 SERVICES.
26 6. MISREPRESENT TO A POLICYHOLDER OR OTHER PERSON EITHER OF THE
27 FOLLOWING:
28 (a) THE PRICE OF THE PROPOSED REPAIRS BEING BILLED TO THE
29 POLICYHOLDER'S INSURER.
30 (b) THAT THE INSURER HAS APPROVED THE REPAIRS UNLESS THE MOTOR VEHICLE
31 REPAIR FACILITY OBTAINED AUTHORIZATION DIRECTLY FROM THE INSURANCE COMPANY
32 AND THE AUTHORIZATION HAS BEEN CONFIRMED BY FACSIMILE, E-MAIL OR OTHER
33 WRITTEN AND RECORDED COMMUNICATION.
34 B. A VIOLATION OF THIS SECTION IS SUBJECT TO ENFORCEMENT UNDER THIS
35 ARTICLE.
36 C. FOR THE PURPOSES OF DETERMINING WHETHER A DEFENDANT KNEW OF ANY
37 PARTICULAR ELEMENT OF THE PROHIBITED ACTIVITY, IT MAY BE PRESUMED THAT THE
38 PERSON HAD KNOWLEDGE IF THE PERSON WAS ENGAGED IN A REGULAR AND CONSISTENT
39 PATTERN OF THE PROHIBITED ACTIVITY.