

By Mr. Fresolo of Worcester, petition of John P. Fresolo relative to uniform minimum rates to be charged by registered motor vehicles repair shops. Insurance.

The Commonwealth of Massachusetts

In the Year Two Thousand and Three.

AN ACT RELATIVE TO REASONABLE RATES FOR REGISTERED REPAIR SHOPS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 100A of the General Laws, as amended, as appearing
2 in the 1998 Official Edition, is further amended by adding at the
3 end thereof, the following:—
4 Section 11. To ensure that rates charged for motor vehicle
5 repair are fair, just and reasonable, the director, after hearing and
6 by November 1 of each year, shall annually fix by his order a uni-
7 form minimum labor rate to be charged as of January 1 of the fol-
8 lowing year by all registered motor vehicle repair shops, (i) with
9 respect to any repair work paid for in whole or in part by an
10 insurer providing coverage for motor vehicles registered within
11 the commonwealth, and (ii) with respect to any repair work paid
12 for in whole or in part by the commonwealth or any political sub-
13 division of the commonwealth. The director shall promulgate reg-
14 ulations governing the procedure and manner in which such rate
15 shall be determined and the factors to be utilized in determining
16 such rate; provided, however, that the director shall consider, at a
17 minimum, applicable consumer price index charges and trends,
18 actual charges made by motor vehicle repair shops in comparable
19 markets, and whether allowance is made for motor vehicle repair
20 shops to be able to realize a profit adequate to assure the con-
21 tinued existence of qualified providers in the marketplace available
22 to timely service insured claimants and to timely service the com-
23 monwealth and its political subdivisions. If the director fails to make
24 a rate determination by November 1 of any year, the uniform

25 minimum rate to be charged as of January 1 of the following year
26 shall be automatically adjusted in accordance with the most recent
27 annual consumer price index calculated by the Bureau of Labor
28 Statistics of the United States Department of Labor for the north-
29 east region for all urban consumers, in a manner to be determined
30 by the director.