

896

Testimony by Bob Skrip  
President  
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Opposing SB-896

Good Afternoon Ladies and Gentlemen.

It is imperative that we establish at the outset that I do not believe we should be here today.

The Auto Body Association of Connecticut, many members of our state Legislature, and Atty. General Richard Blumenthal have fought tirelessly for years to rectify gross inequities in Connecticut's laws governing repair of vehicles that have been involved in accidents.

Just shy of a year ago, with the help of this committee, we won a significant battle. Consumers were finally afforded the right to be clearly notified that their vehicles may be repaired at the facility of their choice; insurance companies were again barred from deceptively steering consumers to their own set of preferred repair facilities that agreed to repair vehicles under the guidelines of the insurer.

As we all know from years of testimony, these so-called preferred repair shops are able to satisfy insurance companies by often using less costly, substandard parts, parts that may void a new car's warranty, or by not performing necessary repairs required to bring that vehicle back to its pre-loss condition. The law you passed a year ago -- a compromise with the insurance industry -- will help prevent consumers from being penalized for exercising their right of choice.

Remarkably, here we are again, fighting another battle against yet another insurance industry attempt to intrude on the rights of Connecticut's consumers, and collision repairers, particularly the motoring public.

As president of the Auto Body Association of Connecticut, which has stood for consumer safety for nearly half a century, my primary purpose today is to voice our strongest possible objections, to Senate Bill 896. It is obvious that the proposed changes to the current law regarding repair of damaged vehicles will remove control from the motor vehicle owners, and place it squarely in the hands of insurance companies that have a vested interest in limiting the scope and cost of auto repairs. Ladies and gentlemen, remember, insurance companies ARE NOT IN THE COLLISION REPAIR BUSINESS.

Insurance companies are NOT our customers. The vehicle owner is our customer, and the one we ultimately need to satisfy with a safe, quality repair without third party influence from the insurance industry. Please don't assist the insurers in their desire to satisfy their self-interest through this legislature.

Section 1 c subsection (2) of the insurance industry's proposal states that if during the repair process, damage to the vehicle is found to be more extensive than initially believed, the *insurance company* – not the consumer -- will have the right to determine whether additional repairs should be made. Even if the needed repairs involve automobile and driver safety, the repair facility cannot proceed with the repairs unless it first obtains permission from the insurer. The vehicle owner needs to be assured of a safe repair.

If you pass this bill, you are saying very clearly that you care less about consumers' rights, and more about insurers' profits.

Under the insurance industry's proposal, if a repair facility completes additional repairs without the insurance company approval, the repair shop will be prohibited from collecting payment from the insurance company *or any other party* for the work performed. This means the insurance companies have the discretion to send vehicles out on the highways with defects that could cause accidents and injuries to drivers, passengers and others. Are we going to allow the insurance companies to say what a private citizen can do with their own cars?

By the way, it seems to me that this proposed section conflicts with current Connecticut Department of Motor Vehicle laws that require *customers* to authorize all repairs!

I also refer you to Section 2, Subsection (c) which requires the repair facility to determine whether insured motorists have met the deductible for their policies.

Since when have auto body shop owners been sworn in as police officers? Do we really want body shops to serve as insurance companies' secret police? This is not our job, nor should it be!

Insurance companies are responsible for compliance with their policies! We are responsible for compliance with sound repair practices and procedures, procurement and use of approved parts, and the safety of the motoring public – a public that counts on us to do the jobs for which we are trained.

One more thing. If the victim in a car accident files a liability claim, and bills the defendant's insurance company for the repairs, the law you are now considering allows the defendant's insurance company to determine how much the insurer will pay for the repairs. And the victim has no legal recourse!

Whatever happened to the concept of due process?

Recently I wrote to many of you in my capacity as President of the Auto Body Association of Connecticut, noting that I am required to ensure that our members are protected from insurance industry attempts to seize even more control over the auto body repair business.

I am testifying today so you clearly understand that our association of over 100 shops across the state, and over 1,000 employees all stand united in opposition to SB 896. We are proud of our profession, and proud of the work that we do to properly repair damaged motor vehicles, and ensure the safety of the motoring public.

Last year we worked together to forge compromise legislation – ultimately supported by our industry and the insurance industry – legislation that begins to put public safety and consumer rights above corporate greed and profit mongering. I implore you not to undo this year, the legislation that was forged last year by those who showed true concern for the motoring public.

Thank You.

