

39:13-1 to 39:13-7

LEGISLATIVE HISTORY CHECKLIST

NJSA: 39:13-1 to 39:13-7

(Automobile repair facilities/
Licensing

LAWS OF: 1983

CHAPTER: 360

Bill No: A3898

Sponsor(s): Shusted and others

Date Introduced: September 6, 1983

Committee: Assembly: -----

Senate: -----

Amended during passage: NO

Date of Passage: Assembly: September 6, 1983

Senate: September 15, 1983

Date of Approval: October 4, 1983

Following statements are attached if available:

Sponsor statement: YES

Committee statement: Assembly NO

Senate NO

Fiscal Note: NO

Veto Message: ~~NO~~ yes

Message on Signing: NO

Following were printed:

Reports: NO

Hearings: NO

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ASSEMBLY, No. 3898

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 6, 1983

By Assemblymen SHUSTED, ROCCO, LITTELL, ROONEY,
SCHUBER, MARKERT, MILLER, KERN, HENDRICKSON,
and MEYER

AN ACT concerning the licensure of auto body repair facilities and
supplementing Title 17 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. For the purposes of this act:

2 a. "Auto body repair facility" means a business or person who
3 for compensation, engages in the business of repairing, removing,
4 or installing integral component parts of an engine, power train,
5 chassis, or body of an automobile damaged as a result of a collision.

6 b. "Automobile" means a private passenger automobile of a
7 private passenger, station wagon, or van type that is owned or hired
8 and is neither used as public or livery conveyance for passengers
9 nor rented to others with a driver; and a motor vehicle with a
10 pickup body, a delivery sedan or a panel truck or a camper type
11 vehicle used for recreational purposes owned by an individual or
12 by husband and wife who are residents of the same household, not
13 customarily used in the occupation, profession or business of the
14 insured other than farming or ranching. An automobile owned by
15 a farm family copartnership or corporation which is principally
16 garaged on a farm or ranch shall be considered a private passenger
17 automobile owned by two or more relatives resident in the same
18 household.

1 2. The Commissioner of Insurance shall establish a system for
2 the licensure of auto body repair facilities. No person may engage

3 in the business of an auto body repair facility unless it is licensed
4 by the commissioner. An auto body repair facility shall be licensed
5 by the commissioner upon submission of an application and pay-
6 ment of a reasonable application fee sufficient to cover the cost of
7 implementing the provisions of this act and to be prescribed by the
8 commissioner. The commissioner may require biennial renewal of
9 application for licensure and may stagger the renewal dates and
10 adjust the application fees accordingly.

1 3. The commissioner shall, on his own initiative or in response to
2 complaints, investigate on a continuous basis and gather evidence
3 of violations of this act and of any regulation adopted pursuant to
4 this act by auto body repair facilities.

1 4. The commissioner may fine or refuse to grant or may suspend
2 or revoke a license of an auto body repair facility for any of the
3 following acts or omissions related to the conduct of the business of
4 auto body repair done by the auto body repair facility:

5 a. Making or authorizing any material written or oral state-
6 ment, which is known to be untrue or misleading;

7 b. Causing or allowing a customer to sign any estimate for
8 repairs which does not state the repairs requested by the customer
9 or the automobile's odometer reading at the time of repair;

10 c. Failing to provide a customer with a copy of any estimate or
11 document requiring his signature, as soon as a customer signs the
12 estimate or document;

13 d. Making false promises or representations intended to in-
14 fluence, persuade, or induce a customer to authorize a repair of an
15 automobile which has been damaged as a result of a collision;

16 e. Giving an adjuster or appraiser directly or indirectly any
17 gratuity or other consideration in connection with his appraisal
18 service;

19 f. Making appraisals of the cost of repairing an automobile
20 which has been damaged as a result of a collision through the use
21 of photographs, telephone calls, or any manner other than personal
22 inspection;

23 g. Making an estimate for repairs or charging for repairs in
24 such amount as to compensate the insured for the cost of the de-
25 ductible applicable under the automobile insurance policy;

26 h. A pattern of conduct which includes any of the acts or omis-
27 sions prohibited in this section or any other unconscionable or
28 fraudulent commercial practice prohibited by the commissioner
29 pursuant to regulations promulgated under the provisions of this
30 act.

1 5. Upon refusal to grant a license or suspension or revocation

2 of a license of an auto body repair facility, the commissioner shall
3 notify the auto body repair facility in writing by registered mail.
4 The auto body repair facility shall be given a hearing by the com-
5 missioner if, within 60 days thereafter, it files with the commis-
6 sioner a written request for a hearing concerning the refusal to
7 grant a license or suspension or revocation of the license.

1 6. The commissioner may impose upon an auto body repair
2 facility violating this act a civil penalty of not more than \$2,000.00
3 for the first offense and not more than \$5,000.00 for the second and
4 each subsequent offense. The civil penalty shall be issued for and
5 recovered by and in the name of the commissioner and shall be
6 collected and enforced by summary proceedings pursuant to "the
7 penalty enforcement law" (N. J. S. 2A:58-1 et seq.).

1 7. The Commissioner of Insurance shall promulgate rules and
2 regulations necessary to effectuate the purposes of this act.

1 8. This act shall take effect on the ninetieth day following
2 enactment.

STATEMENT

This bill would provide for the licensure of automobile repair facilities by the Commissioner of Insurance. No auto body repair facility could engage in the business of an auto body repair facility unless it is licensed by the commissioner. The commissioner would have the authority to fine and to suspend or revoke the license of an auto body repair facility if the facility violates the provisions of this bill. These violations would include charging repair fees which are intended to compensate an insured for the deductible applicable under the policy and other fraudulent commercial practices.

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A 3898 (1983)

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATE

CONTACT: CARL GOLDEN

TUESDAY, OCTOBER 4, 1983

A 3898

Governor Thomas H. Kean today signed five bills to reform and revise the State's no-fault automobile insurance system "and bring about long sought after reductions in premiums for New Jersey motorists."

"These bills, and the reform legislation which I signed earlier, represent a victory over the private interest forces which have blocked so consistently and for so long all attempts to revise the system," Kean said. "Their enactment into law represents a victory for the public good over those whose interest in their own welfare was paramount."

The Governor said the package of bills would result in an average savings of \$150 in insurance premiums.

"These savings and these reforms have eluded administrations for the past eight years," Kean said. "In fact, before today, the only consistent element in attempts to reform the no-fault system was that the attempts would fail."

"It is important to recognize that this package of reform legislation was developed in a bipartisan fashion and exemplifies the kind of progress which can be made on behalf of the people of the State, even in the face of strong private interest pressures," Kean said.

The major bill in the package signed by Kean was A-3981, sponsored by Assemblyman Michael Adubato, D-Essex.

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