DIGEST

HB 559 Original   2016 Regular Session   Pierre

Abstract: Provides for the prohibition of the use of non-OEM aftermarket parts at the direction of an insurer when the parts affect the operation of anti-lock brakes or airbags.

Present law defines "aftermarket crash part" as a replacement for any of the nonmechanical sheet metal or plastic parts which generally constitute the exterior of a motor vehicle, including inner and outer panels.

Proposed law changes present law by defining "aftermarket safety part" as a replacement for all or any portion of the anti-lock braking system or airbag restraint system. Proposed law prohibits the use of nonoriginal equipment manufacturer (non-OEM) aftermarket safety parts unless non-OEM parts are the only parts commercially available.

Proposed law requires, when OEM aftermarket safety parts are not commercially available, the insurer must disclose in writing to the claimant such unavailability.

Present law provides that violations of present law are enforced through the unfair trade practices provisions of present law (Insurance Code).

Proposed law retains present law and adds laws applicable to installers and repair facilities as enforcement provisions.

Present law requires that no insurer specify the use of non-OEM aftermarket crash parts in the repair of an insured's motor vehicle, nor shall a repair facility or installer use non-OEM aftermarket parts, unless the insured is so advised.

Proposed law changes present law by changing "insured" to "claimant" and applying the prohibition to any claimant.

Effective January 1, 2017.

(Amends R.S. 51:2421-2425)