

ASSEMBLY CONSUMER AFFAIRS AND REGULATED
PROFESSIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 1903

STATE OF NEW JERSEY

DATED: AUGUST 14, 1997

The Assembly Consumer Affairs and Regulated Professions Committee reports favorably the Assembly Committee Substitute for Assembly Bill No. 1903.

This committee substitute provides for the regulation of the use of after market collision parts for motor vehicle repairs. The bill defines "after market collision part" as any motor vehicle replacement part used to repair collision damage other than new parts manufactured by the original equipment manufacturer (OEM), or new parts bearing the trademark of that manufacturer. After market collision parts include, but are not limited to: non-OEM sheet metal or plastic composite parts; salvage or used parts; and non-mechanical remanufactured or rebuilt parts.

The bill requires that a person making motor vehicle repairs must provide a written estimate to the vehicle owner listing the parts which will be used for the repairs and their cost. Under the bill, the owner must be informed whether the parts used to repair the vehicle will be OEM parts or certified after market collision parts. If after market collision parts, other than certified after market collision parts, will be used for any repairs, the bill requires that a separate notice in conspicuous writing be attached to the estimate.

The bill prohibits auto body repair facilities and insurance companies from requiring the use of after market collision parts in the repair of a motor vehicle during the year of its manufacture or for four years thereafter, unless the owner of the motor vehicle consents in writing at the time of repair to the use of such parts. The bill also provides for the reimbursement by an insurer of certain costs or charges to the owner of the motor vehicle if non-OEM parts are used for repairs.

Finally, the bill provides for the imposition of fines by the Director of the Division of Motor Vehicles for the unauthorized use of after market collision parts.