



THE COMMONWEALTH OF MASSACHUSETTS

AUTO DAMAGE APPRAISER LICENSING BOARD

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AGENDA

Auto Damage Appraiser Licensing Board Meeting

September 23, 2014, 1000 Washington Street, Boston, Massachusetts

- I. Call to order.
- II. Approval of the minutes of the ADALB meeting of August 6, 2014.
- III. Report on the Part-II examination for motor vehicle damage appraiser license held on August 26, 2014.
- IV. Discussion of amending the ADALB's regulation, 212 CMR 2.00 et seq. and posting of Special Public Meeting of the Board to obtain input from interested parties and those who may be affected by any amendments to the Board's regulation. The proposed areas of amendment are the following:

1. Potentially amending 212 CMR 2.04(1)(d). The Board voted at the meeting held on August 6, 2014 to "Take Advisory Ruling 2014-1 and move the matter of the definition of personal inspection to a public hearing to consider a change in the Board's regulation." Advisory Ruling 2014-1 states, "The Auto Damage Appraiser Licensing Board has passed a motion agreeing that an appraisal conducted by a licensed appraiser via review of quality video or digital images with documentation meets the requirements of 212 CMR 2.04(1)(d) 'The appraiser shall personally inspect the damaged motor vehicle and shall rely primarily on that personal inspection in making an appraisal...'"

212 CMR 2.04(1)(d) provides, "Requirement of Personal Inspection and Photographs. The appraiser shall personally inspect the damaged motor vehicle and shall rely primarily on that personal inspection in making the appraisal. As part of the inspection, the appraiser shall also photograph each of the damaged areas."

M.G.L. c. 26, §8G provides in relevant part, "No appraiser shall complete an auto damage report unless he is duly licensed and unless it is on an

approved form, and in a manner consistent with rules and regulations as shall be issued and amended from time to time by the board. Such forms shall be prenumbered and require an itemization of parts, labor and services necessary for repairs thereof, and shall be sworn to under the penalties of perjury and shall also include the appraiser's signature, license number, seal, fee charged and date the motor vehicle was examined."

2. Potentially amending 212 CMR 2.04 "Procedure for the Conduct of Appraisals and Intensified Appraisals." By increasing the current amount contained in the regulation from \$1,500 to \$4,000 or less for damage to a motor vehicle. 212 CMR 2.04 provides, "(1) Conduct of Appraisals. (a) Assignment of an Appraiser. Upon receipt by an insurer or its agent of an oral or written claim for damage resulting from a motor vehicle accident, theft, or other incident for which an insurer may be liable, the insurer shall assign either a staff or an independent appraiser to appraise the damage. Assignment of an appraiser shall be made within two business days of the receipt of such claim. However, the insurer may exclude any claim for which the amount of loss, less any applicable deductible, is less than \$1,500.00."

Related Regulatory Provision is 211 CMR 133.07: "Intensified Appraisals
An insurer shall have licensed appraisers conduct intensified appraisals of at least 25% of all damaged motor vehicles for which the appraised cost of repair is less than \$4,000.00 and at least 75% of all damaged vehicles for which the appraised cost of repair is more than \$4,000.00 for Collision, Limited Collision and Comprehensive claims. The appraiser shall determine whether the repairs were made in accordance with the initial appraisal and any supplements. The information compiled during the intensified appraisal shall be set forth on a form acceptable to the Auto Damage Appraiser Licensing Board and the Division of Insurance. A copy of an intensified appraisal shall be given to the insurer, and, upon request, to the person making the repairs or the claimant.

3. Potentially amending 212 CMR 2.04(h) which provides for a supplemental appraisal within **three business days** by changing it to **two business days** and making it consistent with 212 CMR 2.04(i) which provides for an expedited supplemental appraisal within **two business days**. 212 CMR 2.04(h) provides in relevant part, "(h) Supplemental Appraisals. If a registered repair shop or claimant, after commencing repairs, discovers additional damaged parts or damage that could not have been reasonably anticipated at the time of the appraisal, either may request a supplementary appraisal. The registered repair shop shall complete a supplemental appraisal prior to making the request. The insurer shall assign an appraiser who shall personally inspect the damaged vehicle within three business days of the receipt of such request..."

212 CMR 2.04(i) provides in relevant part, "Expedited Supplemental Appraisals. If an insurer, a repair shop and the claimant agree to utilize an expedited supplemental appraisal process, an insurer shall not be required to assign an appraiser to personally inspect the damaged vehicle. In such event,

the repair shop shall fax or electronically submit to the insurer a request for a supplemental appraisal allowance in the form of an itemized supplemental appraisal of the additional cost to complete the repair of the damaged vehicle, prepared by a licensed appraiser employed by the repair shop, together with such supporting information and documentation as may be agreed upon between the insurer and the repair shop. The insurer shall then be required to fax or electronically submit to the repair shop within two business days its decision as to whether it accepts the requested supplemental appraisal allowance. Within this same period, a licensed appraiser representing the insurer and a licensed appraiser representing the repair shop may attempt to agree upon any differences...”

V. Other business – reserved for matters the Chair did not reasonably anticipate at the time of the posting of the meeting and agenda.

VI. New Business.

VII. Executive session.

Complaints filed against licensees:

Complaints filed on behalf of Commerce Insurance Company Dated July 22, 2014:

- a) Complaint 2014-5;
- b) Complaint 2014-6;
- c) Complaint 2014-7;
- d) Complaint 2014-8;

Complaints filed by the Alliance of Automotive Service Providers dated July 28, 2014:

- e) Complaint 2014-9;
- f) Complaint 2014-10;
- g) Complaint 2014-11;
- h) Complaint 2014-12;
- i) Complaint 2014-13.

Complaint dated September 3, 2015, Complaint 2014-14.