

From: [Linda Atkins](#)
To: [Aaron Schulenburg](#)
Subject: FW: NORTH DAKOTA RESPONSE - Society of Collision Repair Specialists Requests Your Response
Date: Monday, July 02, 2018 4:35:16 PM

[Linda Atkins, SCRS Administrations](#)
[Society of Collision Repair Specialists](#)

PO Box 909

Prosser, WA 99350

Phone: 877.841.0660

Fax: 877.851.0660

From: Ubben, Jeff R. [mailto:jrubben@nd.gov]
Sent: Monday, July 02, 2018 1:29 PM
To: Linda Atkins
Subject: Re: Society of Collision Repair Specialists Requests Your Response

Hello Ms. Atkins:

The North Dakota Insurance Department's responses to your questions are below in red.

1. Is your department charged with consumer protection and the entity who serves as the regulatory agency to govern and supervise the business of insurance in your state?

Yes.

2. Are claims settlement practices a part of that regulatory oversight?

Yes.

3. In many cases, vehicle manufacturers provide specific instructions and documented procedures on how repair and replacement operations are to be performed to produce a safe and proper repair. As evidenced in the SEEBACHAN v. JOHN EAGLE COLLISION CTR case in TX, failure of the facility performing the repair to follow these procedures can result in catastrophic loss, and incur avoidable liability that negatively impacts garage insurers. Many state laws relevant to insurer claims settlement rely on subjective terms such as "reasonable" as a means of satisfying their obligations.

4. Is there anything that holds insurers and insurance policies sold in your state accountable to

recognize

manufacturer documented procedures as a basis for settling claims and loss indemnification?

This question calls for a legal opinion. The North Dakota Insurance Department does not offer legal opinions to private persons or entities. Private persons or entities are encouraged to seek private legal representation.

5. Would your department consider it a “reasonable” expectation that if an OEM repair procedure or instruction

existed, that the claim should cover the associated costs?

The Department expects insurers to pay claims in accordance with the language of the policy.

6. Would your department expect consumers to be clearly notified through exclusions in the policy where costs

associated with documented OEM procedures would not be covered; otherwise, allowing a consumer to

reasonably assume they would be?

The Department expects all insurers to follow the language of the insurance policy and the laws of North Dakota regarding consumer notifications.

7. If there is a dispute between a consumer and their insurance carrier over the cost to restore their vehicle to preloss

condition in accordance with manufacturer documented procedures, is your department the correct one to

address those issues and provide consumer protection?

The Insurance Department is the correct department to assist consumers in the event an insurer is not following the language of the insurance policy or North Dakota law governing the business of insurance.

a. If yes, please explain? The North Dakota Insurance Department does not offer legal opinions to private persons or entities. Private persons or entities are encouraged to seek private legal representation.

b. If no, who is the appropriate consumer protection body to do so?

From: Linda Atkins [<mailto:info@scrs.com>]

Sent: Friday, June 22, 2018 10:36 AM

To: -Info-ND Insurance Dept. <insurance@nd.gov>

Subject: Society of Collision Repair Specialists Requests Your Response

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

Dear Commissioner Godfread,

I'm writing to you on behalf of the Society of Collision Repair Specialists (SCRS), a national trade association dedicated to representing the interests of collision repair professionals. We have communicated with your office in the past to obtain feedback on how your department and state addresses specific issues, and we reach out to you today seeking similar input. SCRS is looking to obtain responses from all state Departments of Insurance to a few specific questions outlined in the attached letter.

For formality, we have also mailed a physical copy of the attached letter to your office in addition to this email correspondence, and we ask for your return response on department letterhead. You are welcome to respond in writing either by mail or email, whichever is more convenient.

Responses will be compiled in the form of a report that we will share with our membership. We are willing to share the information with you as well, if you wish to examine how other states are addressing these concerns.

Should you desire to discuss this subject with me, you can reach me at 302.423.3537 or by email at aaron@scrs.com.

Thank you in advance for your prompt response.

Best regards,
Aaron Schulenburg
SCRS Executive Director

Sent by:

[Linda Atkins, SCRS Administrations](#)
[Society of Collision Repair Specialists](#)

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