

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 784

6 By: Paxton

7 COMMITTEE SUBSTITUTE

8 An Act relating to motor vehicle repair; creating the
9 Oklahoma Motor Vehicle Consumer Protection Act;
10 providing short title; defining terms; requiring
11 certain written estimate prior to performing certain
12 work; requiring certain record of certain written
13 estimate; establishing certain hourly market rate for
14 labor; directing Insurance Department to adjust
15 certain hourly market rate for labor; prohibiting
16 certain administrative charges from exceeding certain
17 amount; establishing certain maximum daily storage
18 rate; authorizing certain increase in certain maximum
19 daily storage rates; requiring certain written
20 invoice; directing Insurance Department to adjust
21 certain maximum daily storage rates; providing for
22 codification; and providing an effective date.

23 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

24 SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1271 of Title 36, unless there
is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Motor
Vehicle Consumer Protection Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1272 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 As used in this act:

5 1. "Administrative charges" shall include, but not be limited
6 to, the cost of:

- 7 a. file creation,
- 8 b. repair orders,
- 9 c. vehicle travel on a customary standard drivable
10 rolling vehicle,
- 11 d. parts and vehicle identification,
- 12 e. software charges,
- 13 f. communication with vehicle owners, insurance
14 representatives, and any other party involved in the
15 repair or total loss determination,
- 16 g. pre-repair charges,
- 17 h. prewashes,
- 18 i. COVID-19 cleaning or bio-cleaning,
- 19 j. charges related to photographs, electronic
20 communications, parts identification, and preparation
21 of a repair plan,
- 22 k. any charges for work that is not for obtaining labor,
23 parts, and materials,
- 24 l. securing removed parts,

- 1 m. relocating parts back into a vehicle determined to be
- 2 a total loss,
- 3 n. restocking fees, and
- 4 o. wrapping and tarping;

5 2. "Auto body repair" means all repairs, maintenance, painting,
6 exterior body work, part replacements, assessment, and diagnostic
7 testing an insurance company uses to determine a motor vehicle total
8 loss;

9 3. "Auto body repair shop" means any commercial entity engaged
10 in the business or occupation of performing repairs on a motor
11 vehicle;

12 4. "Insurance company" means the person or entity responsible
13 for charges incurred at an auto body repair shop as a result of
14 repairs or charges incurred in determining a motor vehicle total
15 loss as provided for in Section 1250.8 of Title 36 of the Oklahoma
16 Statutes;

17 5. "Motor vehicle" means the same as defined in Section 1-134
18 of Title 47 of the Oklahoma Statutes;

19 6. "Owner" means the owner of a vehicle;

20 7. "Storage rates" means all charges and fees related to the
21 auto body repair shop retaining actual physical possession of a
22 motor vehicle during the time when the auto body repair shop
23 exercises control, supervision, care, security, protection, and
24 responsibility over the motor vehicle; and

1 8. "Teardown process" means the disassembly of a damaged motor
2 vehicle to the point that the auto body repair shop can identify the
3 extent of the damage and generate an itemized estimate for restoring
4 the vehicle to its pre-loss condition.

5 SECTION 3. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 1273 of Title 36, unless there
7 is created a duplication in numbering, reads as follows:

8 Prior to performing any auto body repairs or the vehicle teardown
9 process, the auto body repair shop shall prepare a written estimate
10 with an itemization of all fees, charges, and costs for the proposed
11 auto body repairs, not including any applicable sales taxes, and an
12 estimated date of completion and provide such estimate to the owner
13 and insurance company. The auto body repair shop shall keep a
14 record of the time and manner in which such information was
15 communicated and consent for such work was received.

16 SECTION 4. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1274 of Title 36, unless there
18 is created a duplication in numbering, reads as follows:

19 A. Upon the effective date of this act, the hourly market rate
20 for labor for administrative charges as defined in Section 2 of this
21 act shall be in accordance with the prevailing market price
22 determined pursuant to subsection H of Section 1250.8 of Title 36 of
23 the Oklahoma Statutes. The Insurance Commissioner may adjust the
24 hourly market rate for labor to account for inflation annually

1 beginning on January 1, 2027. Such adjustment shall be made based
2 on the Consumer Price Index (CPI). The adjusted rate shall not be
3 adjusted higher or lower than the percentage rate of inflation
4 reflected by the CPI.

5 B. Administrative charges shall not exceed the hourly market
6 rate for labor pursuant to this section and may only be billed up to
7 three (3) hours.

8 SECTION 5. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1275 of Title 36, unless there
10 is created a duplication in numbering, reads as follows:

11 A. The maximum daily storage rate allowed to be charged by an
12 auto body repair shop for a motor vehicle total loss for each
13 calendar day, for the first ten (10) calendar days the vehicle is in
14 the possession of the shop, shall be Thirty-nine Dollars (\$39.00)
15 for all motor vehicles of any size, including marine vessels.

16 B. On the eleventh calendar day, the maximum daily storage rate
17 may increase to Seventy-five Dollars (\$75.00) per calendar day if
18 supplementals are not approved by the insurance company within the
19 first ten (10) days and the auto body repair shop has a written
20 record showing the date, time, and type of communication made to the
21 insurance company requesting such supplementals. Requests for
22 supplementals shall be made before the tenth day.

23 C. Each auto body repair shop shall provide written invoices
24 and respond to requests for invoices concerning the pickup, release,

1 or delivery of a motor vehicle on its premises to the insurance
2 company within eight (8) business hours.

3 D. The maximum daily storage rate set forth in this section
4 shall apply to direct repair programs.

5 E. The maximum daily storage rate may be increased by twelve
6 percent (12%) every four (4) years. The increase shall be
7 implemented by the Insurance Commissioner.

8 SECTION 6. This act shall become effective November 1, 2025.

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