SB823

Measure Title:	RELATING TO MOTOR VEHICLE REPAIRS.
Report Title:	Vehicle Repair Practices Task Force; Motor Vehicle Insurance; Repair; Original Equipment Manufacturer Crash Parts; Aftermarket Crash Parts
Description:	Requires insurers to provide a choice to the insured consumer of authorizing a repair provider to utilize a like kind and quality crash part or the original equipment manufacturer crash part. Specifies that an insured consumer who chooses the use of an original equipment manufacturer crash part that would affect the insured consumer's crash avoidance or safety systems shall not be required to pay the additional cost for repairs using that original equipment manufacturer crash part. Specifies that an insured consumer who chooses the use of an original equipment manufacturer crash part that would not affect the insured consumer's crash avoidance or safety systems shall pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent like kind and quality crash part, unless original equipment manufacturer crash parts are required by the vehicle manufacturer's warranty or the use of a like kind and quality crash part would void an existing manufacturer's warranty or the insured consumer's vehicle lease agreement. Sunsets 7/1/2024.
Companion:	
Package:	None
Current Referral:	CPH
Introducer(s):	BAKER, S. Chang, Fevella, Kanuha

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Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Commerce, Consumer Protection, and Health
Thursday, February 21, 2019
9:00 a.m.
State Capitol, Conference Room 229

On the following measure:
S.B. 823, RELATING TO MOTOR VEHICLE REPAIRS

Chair Baker and Members of the Committee:

My name is Colin Hayashida, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department offers comments on this bill.

The purpose of this bill is to address issues arising from the repair of newer models of motor vehicles and the use of original equipment manufacturer parts and like kind and quality parts.

Although the term "crash" is used throughout this bill[1], including section 2's proposed amendment to Hawaii Revised Statutes 431:10C-313.6, this measure does

[1] E.g.:
Page 1, line 13: "aftermarket crash parts"
Page 1, line 16: "crash tested"
Page 2, lines 3-4: "original equipment manufacturer crash parts"
Page 2, line 14: "like kind and quality crash part"
Page 2, line 18: "insured consumer's crash avoidance or safety systems"

not define that term. Accordingly, confusion may arise in determining which parts of the vehicle affect crash avoidance and safety systems, the degree in which those parts affect systems, and who is authorized to make those decisions. These same questions may arise when trying to determine whether an existing manufacturer's warranty or lease agreement may be voided if a certain part is or is not used in repairs.

In addition, the Department has concerns with the bill's requirement that repair providers provide information to consumers regarding the impact that parts may have on warranties. Repair providers are not certified to interpret warranty agreements.

Thank you for the opportunity to testify on this measure.

Page 4, line 1: "the crash part"
Page 5, line 10: "any crash part"

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TESTIMONY OF MICHAEL ONOFRIETTI

COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH
Senator Rosalyn H. Baker, Chair
Senator Stanley Chang, Vice Chair

Thursday, February 21, 2019
9:00 a.m.

SB 823

Chair Baker, Vice Chair Chang, and members of the Committee on Commerce, Consumer Protection, and Health, my name is Michael Onofrietti, ACAS, MAAA, CPCU, Senior Vice President, Actuarial Services, Product Development & Management for Island Insurance and Chairman of the Auto Policy Committee for Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council **opposes** this bill.

SB 823 essentially mandates the use of OEM parts for all repairs by creating a standard for non-OEM parts that doesn't exist. The bill imposes several layers of requirements in order for an insurer to use an aftermarket crash part or a Like Kind and Quality (LKQ) part in a repair. If it is virtually impossible to use anything but OEM parts, the cost of repairs will inevitably increase. Moreover, there will be more vehicles totaled if the cost of repair is too high compared to the vehicle's value. Older vehicles will not be repaired at all as OEM parts will not be available.

We believe that creating a monopolistic market for motor vehicle repair parts will increase costs of motor vehicle insurance for everyone, even those who are never involved in a crash. This is regressive and would likely increase the number of uninsured drivers in Hawaii.

The bill requires a LKQ part to perform at least as well as the OEM crash part in a crash avoidance and safety system test. Parts, whether they be OEM or LKQ, are not individually tested but rather they are tested as part of the whole vehicle. Furthermore, the test is not a crash avoidance test, but an actual crash, and finally, ñsafety systemòand ñsafety system testòare terms undefined. Therefore, a LKQ part can never meet the requirements of this subsection.

It is not true that some insurers use only after-market parts; some parts (air bags, for example) are only available as OEM. The law currently requires that the insurer guarantee the part if it is not OEM. Insurers do not take such guarantees lightly and it is in our and our customersôinterest to ensure that repairs are performed correctly.

If the goal of SB 823 is to ensure consumer safety by making the use of non-OEM parts illegal, those installing them must surely be licensed and certified by the State of Hawaii. Such licensure should include provisions for continuing education given the rapid rate of change in automobile electronic and safety systems. Further, Hawaii auto body repairers should be certified by the auto manufacturers themselves. This is in the interest of consumers and in the interest of the body shops as well because this bill effectively transfers liability for repair quality and safety to the body shop.

Today, the Hawaii market is dynamic in the way different insurers handle repairs of motor vehicles. This is good for the consumer because they are able to purchase the type of insurance that fits their personal situation. Insurers sometimes use aftermarket parts in repairs because they cost less. Savings resulting from this practice have been passed on to consumers over many years with no impact on safety in Hawaii.

We ask that this bill be held. Thank you for the opportunity to testify.

Testimony from Van Takemoto, President, Island Fender
For the Automotive Body and Painting Association of Hawaii
and vehicle occupants of Hawaii
In strong support of SB823 – Relating to Motor Vehicle Repairs
COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH
THURSDAY, February 21, 2019

Chair Baker, Vice-Chair Chang and members of the Committee on Commerce, Consumer Protection, and Health. I am here to testify in strong support with the purpose of SB823 and would like the committee to consider some proposed changes that we feel will help clarify the legislation.

My name is Van Takemoto, I am the owner/president of Island Fender. I am a specialist in Collision Repair and have been involved in this industry since 1971 and I am also a licensed mechanic. We are a small family business that specializes in damage analysis, repair planning and the repair of collision damaged vehicles. We are dedicated to maintaining the safety system designed into todays vehicles.

We were the first collision repair business in Hawaii to earn the designation of Gold Status by I-CAR and have maintained that designation with technicians recognized as Platinum Trained Individuals who have obtained this highest level of collision training and continuing education, which is a requirement of that designation.

I-CAR, the Inter-Industry Conference on Auto Collision Repair, is an international not-for-profit organization dedicated to providing the information, knowledge and skills required to perform complete, safe and quality repairs.

Formed in 1979 out of a collaboration across the six segments of the collision repair Inter-Industry, I-CAR serves -- and is represented by -- all segments of the Inter-Industry:

- Collision repair
- Insurance
- Original equipment manufacturers (OEMs)
- Education, training and research
- Tools, equipment and supply
- Related industry services

I have also made a substantial investment in training and equipment to be one of a handful of facilities certified in collision repair by many vehicle manufacturers. We are one of two certified by Mercedes-Benz, and the only facility certified by Volkswagen. We are also certified by US and Asian Vehicle Manufacturers.

I am here to testify on behalf of the Automotive Body and Painting Association of Hawaii and the drivers and passengers of Hawaii, especially those that have had the misfortune of being involved in an auto accident.

Hawaii is the only state in the country that has legislation that REQUIRES CLAIMANTS TO PAY THE INCREASED COST OF ORIGINAL EQUIPMENT MANUFACTURED" CRASH PARTS IN BODY REPAIR.

HRS § 431:10C-313.6 that SB823 refers to, currently requires insureds and claimants to pay the difference between the cost of cheaper aftermarket crash parts and the original equipment manufacturer's crash parts. SB823 correctly removes the claimant from this legislation.

HRS § 431:10C-313.6 applies only to CRASH PARTS and DOES NOT APPLY to the vast majority of aftermarket mechanical parts like radiators, air conditioning condensers, brakes or consumables like wiper blades, coolants, tires, wheels and fluids. IT ONLY APPLIES TO BODY REPAIR CRASH PARTS and crash parts is a very small percentage of the Aftermarket industry.

Crash parts are defined in HRS437B-1 Definitions. "Crash parts" means motor vehicle replacement parts, either sheet metal or plastic, which constitute the visible exterior of the vehicle, including inner and outer panels, and which are repaired or replaced as the result of a collision.

In 1997 when HRS § 431:10C-313.6 was passed into law, body repair crash parts were cosmetic in design, so it seemed reasonable to use cheaper aftermarket parts that fit and looked like the original equipment manufactured crash parts. Crash parts were merely cosmetic parts.

Fast forward twenty years and crash parts today are engineered and tested as a part of a complex safety system. The cars of today protects the occupants from injury by managing the collision forces to move over and under the passenger compartment, or to avoid a collision altogether. Occupant safety systems like seatbelts and airbags are engineered to respond to critical timing to hundredths of a second. Too fast or too slow and someone gets hurt or dies.

Special interest testimony has or will bring up several points to confuse the relative issues of SB823 and I would like to address them at this time.

The Insurance Commissioner 's threat of an Increase in premiums is the code word for LESS PROFIT FOR INSURERS and shows a poor understanding of collision repair, the small amount of aftermarket crash parts as a percentage of the cost to repair, and it's affect on premiums.

- Property Casualty Insurers Association of America reported if all aftermarket parts (this includes radiators and condensers) were banned: consumers with liability and physical damage coverages may have paid an additional 2.6 percent (or $24) more per insured car each year because non-OEM aftermarket parts were banned. That's $2.00 per month per vehicle.
- Insurers Information Institute reported in Trends, Challenges and Opportunities in Personal Lines Insurance in 2016 & Beyond that Hawaii was the most profitable state in the country for Personal Auto at 18.7%, three times more profitable than the national average.
- Geico testimony indicated that Hawaii is currently 26th or in the middle as it concerns premiums and this is good, but it is not because of the use of aftermarket crash parts.
- Local insurance companies like First Insurance, Island Insurance, Dtric and some national insurers like State Farm, Progressive and All State, do not make Hawaii insureds or claimants pay the difference and yet they compete against GEICO in our market.

The threat of an increase in total losses, therefore increasing premiums is not true.

- Aftermarket Crash Parts makes up a very small percentage of the overall cost to repair collision damaged vehicles.
- The Property and Casualty Insurers Association of America's, Special Report, Aftermarket Parts: A $2.34 Billion Benefit for Consumers reported that excluding labor, total crash part costs are about $42.25 billion ($3.90 billion—non-OEM and $38.35 billion—OEM). Aftermarket parts is therefore 9.23% of the total parts cost.

- Total Parts Costs are around 42.6% of the total repair cost, so aftermarket crash parts is only 3.93% of the total cost. This is a small number and plays a very small factor in declaring a car a total loss.
- Local insurers and many national insurance companies already pay for OEM Crash Parts and they continue to operate profitably.

The threat that this legislation will lead to an OEM monopoly and increased OEM part prices.

- OEM part prices, MSRP, or Manufacturer's Suggested Retail Price is national and international in scope, and not priced State to State.
- Hawaii is only one of 50 states and it is ludicrous to think that SB823 will have any effect on the MSRP. We are a small part of the total market.

Anti-Aftermarket parts.

- Auto Body shops use and will continue to use and offer aftermarket mechanical and consumables that can be mechanically and scientifically proven to be of like kind and quality.

Aftermarket crash parts are of like kind and quality.

- In the automotive industry, the term "like kind and quality" refers to used or recycled original equipment parts and not "aftermarket", generic, or counterfeit parts, not manufactured by the original equipment manufacturer.
- In reality many CAPA Certified aftermarket crash parts are not of like kind and quality in fit and finish. Even Geico appraisers have confirmed this after inspecting vehicles trial fitted with aftermarket CAPA Certified parts.
- Aftermarket crash parts have never been engineered or tested, by the aftermarket part manufacturers or CAPA, as it relates to the vehicle's safety & crash avoidance systems.
- If some CAPA certified crash parts do not even qualify in fit and finish, how do you think they will perform in an actual crash. Hope you are lucky and get a good one? Live or die?
- Low speed crash tests of installed aftermarket crash parts by Volkswagen have proven that aftermarket parts installed in their safety system adversely affected the crash system. It caused the airbags to deploy when they weren't supposed to and greatly increased the damage to the vehicle and the costs to repair them.

Opposition to SB823 is about self-interest and greed and profit.

Support for HB62 is about consumer protection, safety and looking after the consumer's interests and safety.

Our suggested revisions for your consideration is highlighted in yellow below.

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE REPAIRS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that motor vehicle owners have the right to expect that their vehicles are repaired properly following a collision. Proper repairs include the installation of original

equipment manufacturer crash parts, that is, the parts that vehicle manufacturers have tested and engineered to ensure proper fit, function, and most importantly, safety. Repairing vehicles with original equipment manufacturer crash parts helps to ensure the safety and proper performance of repaired motor vehicles.

The legislature further finds that to reduce costs, some insurance companies only pay for vehicle repairs made with aftermarket crash parts, despite vehicle manufacturer recommendations to the contrary. These aftermarket crash parts, also called non-original equipment manufacturer parts or generic parts, are not made by the original manufacturer and if used may alter the manufacturer's vehicle safety system and could compromise the liability of the manufacturer to consumers hurt in a subsequent collision. ~~can be unsafe because they are not crash-tested and are inferior to original equipment manufacturer crash parts in fit and finish.~~

Furthermore, many motor vehicle insurers do not allow insured consumers to decide whether repairs are made with aftermarket crash parts or original equipment manufacturer crash parts, and may refuse to reimburse insured consumers for the additional costs of installing original equipment manufacturer crash parts, even when necessary to restore a vehicle to its pre-collision condition. ~~This practice of the insurance industry has resulted in lawsuits across the nation when aftermarket crash parts installed in repaired vehicles have failed in subsequent collisions.~~

The purpose of this Act is to:

(1) Require insurers to provide a choice to insured consumers of authorizing a repair provider to utilize an aftermarket ~~like kind and quality~~ crash part or the original equipment manufacturer crash part;

(2) Specify that an insured consumer who chooses the use of an original equipment manufacturer crash part that could ~~would~~ affect the insured consumer's crash avoidance or safety systems shall not be required to pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent ~~like kind and quality~~ aftermarket crash part; and

(3) Specify that an insured consumer who chooses the use of an original equipment manufacturer crash part that would not affect the insured consumer's crash avoidance or safety systems shall pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent ~~like kind and quality~~ aftermarket crash part, unless original equipment manufacturer crash parts are required or recommended by the vehicle manufacturer~~'s warranty~~ or the use of an aftermarket ~~like kind and quality~~ crash part would void an existing manufacturer's warranty or the insured consumer's vehicle lease agreement.

SECTION 2. Section 431:10C-313.6, Hawaii Revised Statutes, is amended to read as follows:

"[[]§431:10C-313.6[]] Original equipment manufacturer's and ~~like kind and quality~~ aftermarket crash parts. (a) An insurer shall make available a choice to the insured consumer of authorizing a repair provider to utilize an aftermarket ~~like kind and quality~~ crash part of an equal or better quality than the original equipment manufacturer crash part if [such] the crash part is available or an original equipment manufacturer crash part for motor vehicle body repair work. If the insured consumer chooses the use of an original equipment manufacturer crash part that ~~would~~ could affect the insured consumer's crash avoidance or safety systems, the insured consumer shall not pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent ~~like kind and quality~~ aftermarket crash part. If the insured [or claimant]-consumer chooses the use of an original equipment manufacturer crash part[,] that would not affect the insured consumer's crash avoidance or safety

systems, the insured [or claimant]-consumer shall pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent ~~like kind and quality~~ aftermarket crash part, unless original equipment manufacturer crash parts are required or recommended by the vehicle manufacturer~~'s warranty~~[.] or the use of an aftermarket ~~like kind and quality~~ crash part would void an existing manufacturer's warranty or the insured consumer's vehicle lease agreement.

(b) An aftermarket ~~like kind and quality~~ crash part under subsection (a), of an equal or better quality than the original equipment manufacturer crash part, shall carry a guarantee in writing for the quality of the ~~like kind and quality~~ aftermarket crash part and the equivalent performance in a vehicle's crash avoidance and safety systems. ~~for not less than ninety days or for the same guarantee period as the original equipment manufacturer crash part, whichever is longer~~. The guarantee shall be provided by the insurer.

(c) Aftermarket ~~Like kind and quality~~ crash parts, certified or approved by governmental or industry organizations, shall be utilized if available.

(d) For any crash part authorized under subsection (a), a repair provider shall:

(1) Provide an insured consumer with the cost of the original equipment manufacturer crash part and the aftermarket ~~like kind and quality~~ crash part, which shall detail the price ~~cost markup~~ for each crash part; and

(2) Disclose to an insured consumer any potential impact that use of an aftermarket ~~like kind and quality~~ crash part may have on a vehicle manufacturer's warranty, or whether any crash part that meets the vehicle manufacturer's specifications is acceptable for purposes of maintaining or receiving benefits under the vehicle manufacturer's liability ~~warranty~~.

(e) This section shall apply to crash parts for vehicles that are designed with vehicle safety systems. ~~not more than five years old, as of the date of the collision~~.

(f) For the purposes of this section, "aftermarket ~~like kind and quality~~" means having a quality that is equal to or better than the original equipment manufacturer crash part and performing at least as well as the original equipment manufacturer crash part in a subsequent collision. ~~crash avoidance and safety system test~~."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019, and shall be repealed on July 1, 2024; provided that section 431:10C-313.6, Hawaii Revised Statutes, as amended by section 2 of this Act, shall be reenacted in the form in which it read on the day before the effective date of this Act.

Thank you for allowing me to testify in support of SB823 a consumer protection bill.

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On behalf of the:
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Hawaii State Legislature
Senate Committee on Commerce, Consumer Protection and Health

February 19, 2019

Filed via electronic testimony submission system

RE: SB 823, Relating to Motor Vehicle Repairs – NAMIC's written testimony <u>in opposition</u>

Dear Senator Baker, Chair; Senator Chang, Vice-Chair; and honorable committee members:

Thank you for providing the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committee for the February 21, 2019, public hearing. Unfortunately, I will not be able to attend the public hearing, because of a previously scheduled professional obligation.

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty insurance trade association in the country, with more than 1,400 member companies. NAMIC supports regional and local mutual insurance companies on main streets across America and many of the country's largest national insurers. NAMIC members represent 40 percent of the total property/casualty insurance market, serve more than 170 million policyholders, and write nearly $225 billion in annual premiums. NAMIC has 84 members who write property/casualty and workers' compensation in the State of Hawaii, which represents 28% of the insurance marketplace.

NAMIC and its member companies appreciate the importance of providing auto insurance consumers with the option of having Original Equipment Manufacturer (OEM) parts installed on their vehicle, if such a consideration is of *personal* importance to the policyholder. However, NAMIC is concerned about the proposed legislation, because SB 823 is likely to: a) Lead to needless consumer confusion and unjustified concern; b) Effectuate a "de-facto" ban on the use of aftermarket parts in Hawaii; c) Hinder insurers in their ability to provide consumers with timely and cost-effective quality auto repairs; d) Create an unfair and inappropriate competitive advantage for OEM parts manufacturers to the detriment of <u>all</u> auto repair consumers; and e) Adversely impact the affordability of insurance for insurance consumers.

To start with, we are concerned about the unfounded and unsubstantiated contentions in Section 1 of the bill that after-market parts (AMP) or non-OEM parts are inferior and arguably unsafe to consumers. The language of Section 1 should be removed from the bill, because they are based upon a subjective opinion that is not supported by data or scientific studies by experts in the field. If AMP or non-OEM parts are inherently inferior and raise safety concerns for motorists as suggested by the proposed legislation, the National Highway, Transportation, and Safety Administration (NHTSA) would expressly prohibit their use or issue clear warnings about their dangers, and state legislatures and regulators across the country would ban their use. The facts of the situation are contrary, the vast majority of states have acknowledged that AMP and non-OEM parts provide consumers with safe, reliable, and cost-effective auto repair parts. The federal government has also recognized the value and consumer benefit of the use of AMP and non-OEM Parts in the "Promoting Automotive Repair, Trade, and Sales Act" (The PARTS Act)[1].

Since the proposed legislation does not cite a single expert study to support the contention that AMP and non-OEM Parts are in any way inferior in fit, performance, reliability and safety, NAMIC respectfully requests that the following one-sided, subjective comments be removed from Section 1 of the bill:

[1] As considered by Congress, the Promoting Automotive Repair, Trade, and Sales (PARTS) Act of 2015 (H.R. 1057 and S. 560) is designed to ensure open competition for one of the most expensive aspects of crash repair, the parts consumers need to get their cars fixed. Without robust competition, consumers are saddled with only one source for the parts they need (the car companies) and there will be no incentive to fairly price those parts. Competition is the most fundamental component of the America's free market. It ensures fair prices and quality products for the American consumer. The PARTS Act will protect the competitive marketplace.

> ** Proper repairs include the installation of original equipment manufacturer crash parts, that is, the parts that vehicle manufacturers have tested and engineered to ensure proper fit, function, and most importantly, safety. Repairing vehicles with original equipment manufacturer crash parts helps to ensure the safety and proper performance of repaired motor vehicles.*
>
> ** These aftermarket crash parts, also called non-original equipment manufacturer parts or generic parts, are not made by the original manufacturer and can be unsafe because they are not crash-tested and are inferior to original equipment manufacturer crash parts in fit and finish.*

Additionally, NAMIC respectfully submits the following concerns with the proposed legislation:

a) SB 832 is likely to lead to needless consumer confusion and unjustified concern -

NAMIC is concerned that SB 823 states in its legislative declarations that aftermarket parts "*can be unsafe because they are not crash-tested and are inferior to original equipment manufacturer parts in fit and finish*". First of all, the national data on point clearly does not support this contention. Further, since there is no evidence to support the belief that aftermarket parts are inferior in *any way* to OEM parts, this statement is likely to lead to consumer confusion and unjustified concern over the safety of aftermarket parts.[2] Second, the legislative declarations in SB 823 create an improper statutory preference (i.e. the State of Hawaii recommends one product line over another competing product line) for the use of OEM parts that could lead consumers to believe that they are being disadvantaged by having their vehicle repaired with aftermarket parts.

b) The proposed legislation could effectuate a "de-facto" ban on the use of aftermarket parts in Hawaii -

The proposed legislation states:

> *An insured consumer who chooses the use of an original equipment manufacturer crash part that would not affect the insured consumer's crash avoidance or safety systems shall pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent like kind and quality crash part, unless original equipment manufacturer crash parts are required by the vehicle manufacturer's warranty or the use of a like kind and quality crash part would void an existing manufacturer's warranty or the insured consumer's vehicle lease agreement.* [Emphasis added]

In effect, all an original equipment manufacturer would need to do to force insurers and consumers into having to use OEM Parts is to merely require it their motor vehicle user manuals and service guides, and then state in the terms and conditions of their vehicle warranty that the owner of the vehicle must comply with the repair requirements enumerated in the motor vehicle user manuals and service guides.

Additionally, the proposed legislation states:

> *If the insured consumer chooses the use of an original equipment manufacturer crash part that would affect the*

[2] According to Edmunds, today's aftermarket parts can be as good, or even better, than their OEM counterparts. Because aftermarket companies are trying to compete with one another and don't need to devote their time to creating a new design, they can re-engineer the OEM part to eliminate weaknesses or flaws.

> *insured consumer's crash avoidance or safety systems, the insured consumer shall not pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent like kind and quality crash part.* [Emphasis added]

NAMIC is concerned that this provision is ambiguous and rife with potential for misunderstanding, disagreement, and legal strife. What is the specific definition of "*crash avoidance or safety systems"?* Moreover, what does it mean to "*affect the insured consumer's crash avoidance or safety systems"?* This language could be broadly interpreted to apply to almost every automobile part, because motor vehicles are integrated and interconnected mechanical systems.

c) The proposed legislation will hinder auto insurers in their ability to provide consumers with timely and cost-effective quality auto repairs -

NAMIC is concerned that SB 823 will force insurers and auto repair shops to only use OEM parts, which could cause serious delays in repairing automobiles, because use of OEM parts will ultimately become the "only game in town". Further, once non-OEM and aftermarket parts become scarce due to limited use in the state marketplace, OEM parts will be subject to "demand-surge" pricing, which will lead to more expensive auto repairs for *all* consumers (insurance related repairs and non-insurance related auto repairs).

The insurance implications of the proposed legislation are that insurers will be required to pay the difference between the cost of OEM parts and aftermarket parts, regardless of what the parties agreed to in the insuring agreement as to the use of aftermarket parts in auto repairs. Initially, this will provide some consumers with insurance benefits the policyholder did not purchase or pay for in his/her premium. Consumers currently have the option to purchase auto insurance policies or endorsements that specifically pay for OEM parts. Naturally, insurance consumers pay a higher rate for this more expensive, specialized auto parts insurance coverage. However, many consumers don't want or need OEM parts and would prefer to save money in their annual premium by agreeing to have their motor vehicle repaired with quality aftermarket parts as opposed to more expensive OEM parts. The proposed legislation will punish these cost-conscious and/or limited-income auto insurance consumers. The likely practical implications of this proposed legislation is that *all insurance consumers* will end up being forced to subsidize the cost of a mere auto repair preference of a *small number of consumers,* who already possess the option of paying the increased cost of OEM parts.

d) SB 823 will create an unfair and inappropriate competitive advantage for OEM parts manufacturers to the detriment of all auto repair consumers -

A significant number of auto repairs are negotiated and paid for outside of the insurance transaction by consumers that may not have procured first-party collision insurance coverage or for auto repairs unrelated to an insurance claim, so if SB 823 becomes law all auto repair consumers will be adversely impacted by higher auto repair costs. According to the Quality Parts Coalition, "the use of aftermarket parts saves consumer $1.5 billion a year". Additionally, national studies have repeatedly determined that the average price of an OEM part costs about 60 percent more than the average price of an aftermarket part.[3]

e) The proposed legislation could adversely impact the affordability of insurance for consumers -

If insurers are required by state law to pay the difference between aftermarket parts and OEM parts, insurers will just factor this increased cost into the future price of their standard automobile insurance policy to cover the cost of OEM parts and then they will likely just stop using aftermarket parts altogether. Consequently, the proposed legislation will

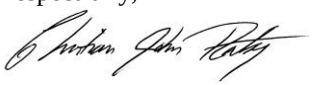
[3] *Insurance Journal*, "Alliance Hails DC Reg. Promoting Aftermarket Parts," www.insurancejournal.com/news/east/2003/06/04/29512.htm.

limit consumer choice and the policyholder's opportunity to purchase a less expensive auto insurance policy. In effect, SB 823 will become a significant auto-insurance rate cost-driver.

For the aforementioned reasons, NAMIC respectfully requests a **NO VOTE on SB 823, because it is special interest legislation that would benefit auto manufacturers and repair shops to the detriment of consumers and auto insurance policyholders.**

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at crataj@namic.org, if you would like to discuss NAMIC's written testimony.

Respectfully,



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Senate Committee on Commerce, Consumer Protection, and Health
Room 229 State Capitol
Thursday, February 21, 2019 9:00 am

SB 823- Relating to Motor Vehicle Repairs.

Chair Baker and Members of the Committee:

My name is Timothy M. Dayton, General Manager of GEICO.. GEICO is Hawaii's largest auto insurer. **GEICO offers qualified opposition to Senate Bill Number 823.** Senate Bill 823 would require insurers to provide a choice to insured consumers of authorizing a repair provider to utilize a like kind and quality crash part or the original equipment manufacturer (OEM) crash part, and would not require the consumer to pay the additional cost for choosing OEM parts that would impact crash avoidance or safety systems.

GEICO supports the intent of Senate Bill 823, and does not oppose the requirement for original equipment manufacturer crash parts for safety and crash avoidance. However, we are concerned that the safety and crash avoidance language is a huge ambiguity that creates room for multiple interpretations. Therefore, GEICO recommends the following language to further clarify and reduce any ambiguities.

Safety and crash avoidance be replace by something specific such as suspension system that clearly spells out what is involved in unambiguous language. We also recommend that the language in Section 2, Subsection (a) that states "unless original equipment manufacturer crash parts are required by the vehicle manufacturer's warranty" be removed, given that it is against federal law for a warranty to contain such a requirement. Additionally, we recommend that the phrase in Subsection (c) "certified or approved by governmental or industry organizations"

should be changed to "certified ***and*** approved by governmental or industry organizations." Lastly, also in Subsection (c), we recommend that the phrase "if available" be deleted.

Finally, we respectfully point out that much of Section I in the Bill is false. We suggest that the Section be either deleted or corrected. As one example, currently the HRS requires that insurance estimates specify after-market parts be used when available unless the consumer pays the price difference *as opposed* to the statement that some insurers only pay for after-market parts to reduce costs. Another example is the statement that after-market parts are not crash tested and are inferior.

GEICO appreciates the opportunity to present our testimony and your consideration of this testimony. **We respectfully urge the Committee to either defer or else pass Senate Bill 823, with substantial amendments.**

Sincerely,

Timothy M. Dayton, CPCU

SENATE COMMITTEE ON
COMMERCE, CONSUMER PROTECTION & HEALTH

February 21, 2019

Senate Bill 823 Relating to Motor Vehicle Repairs

Chair Baker, Vice-Chair Chang, members of the Senate Committee on Commerce, Consumer Protection and Health, I am Rick Tsujimura, representing State Farm Mutual Automobile Insurance Company (State Farm). State Farm offers these comments about SB 823 Relating to Motor Vehicle Repairs, and more specifically, Original Equipment Manufacturer (OEM) and Aftermarket Parts.

Current law, which is based on a National Association of Insurance Commissioners (NAIC) Model Act, allows insureds the choice of either an OEM or a "like kind and quality" aftermarket part in covered motor vehicle body repair work. If the vehicle manufacturer's warranty requires the OEM part, the insurer may not charge the insured the cost difference between the parts.[1] In addition, the insurer may specify only non-OEM parts of "**equal or better quality**," and MUST warranty them "**for the same guarantee period as the [OEM] part.**"[2] HRS § 431:10C-313.6 recognizes that, although consumers retain the ultimate control over the repair process, including parts selection, the decision of some policyholders to select higher priced parts should not adversely impact the rest of the insuring public through higher prices. This promotes, rather than restricts, consumer choice. The bottom line: **only if there is no aftermarket part of "equal or better quality," that will perform the function** can the insurer charge the difference.

SB 823 would change this by prohibiting insurers from charging the consumer the difference in cost if a crash part "would affect the insured consumer's crash avoidance or safety systems," or if the crash part would "void" a manufacturer's warranty or a lease agreement. At first blush, this seems to make sense; who isn't for safety? But let's look at this closely.

The starting premise is that aftermarket parts are inferior, and that they will not provide the quality needed to preserve a car's crash avoidance or safety system. Yet, the existing language requires these parts to be of "**equal or better quality**," and the new language specifies that "'like kind and quality' means"

> having a quality that is equal to or better than the original equipment manufacturer crash part and performing at least as well as the original equipment manufacturer crash part in a crash avoidance and safety system test.

[1] HRS § 431:10C-313.6(a)
[2] HRS § 431:10C-313.6(b).

In other words, the aftermarket part has to be as good as or better than the OEM part, and, more importantly, MUST perform at least as well in the crash avoidance and safety test. If there is no aftermarket part available that meets these criteria, the insurer must pay to install the OEM part. If this is so, what is the point in requiring the OEM part, and that all other insurance consumers pay for it with higher rates? What is meant by "affect the . . . crash avoidance or safety systems…?" Does this mean, cause them to not work properly? If so, existing law already says the insurer must pay for the OEM part because there is no aftermarket part that serves the function. Some history might be helpful.

At one time, the OEMs' only competition for supplying sheet metal crash parts came from salvage yards marketing "recycled" or "reconditioned" parts. Beginning in the early 1980's non-OEM sheet metal and other exterior appearance parts, such as grilles and lamp assemblies, became available. This development challenged what had been a virtual monopoly by OEMs in the sale and distribution of new crash parts. Admittedly, early on, there were quality control issues.

Because of the growing use of non-OEM parts, insurers, non-OEM manufacturers, and repair facilities formed the Certified Automotive Parts Association (CAPA) as way ensure quality. CAPA provides independent and objective testing and quality certification for non-OEM crash parts. CAPA is modeled after the Underwriters Laboratories, Inc., the global not-for-profit testing and certification organization formed by the insurance industry in 1894, particularly recognized for certifying electrical products. Parts meeting CAPA standards are certified as functionally equivalent to OEM parts with respect to quality, fit, performance, and corrosion protection.

Certain aftermarket or non-OEM parts have long been available and widely accepted by vehicle owners and the repair industry. These include items such as tires, brakes, belts, filters, batteries, lamps, exhaust, electrical and cooling system components, and glass. This has created competition in parts pricing. Without question, OEM parts pricing is influenced by the availability of competitively priced aftermarket parts, and, **in some cases, the same manufacturer produces the same OEM and non-OEM part.**

In 1996, in response to OEM campaigns to ban aftermarket parts, the NAIC approved an amendment to its Unfair Claims Settlement Practices Model Regulation that requires specific notice to vehicle owners when aftermarket parts are included in repair estimates. Almost all states (including Hawaii, 1997[3]) subsequently adopted laws or regulations that address the use of aftermarket parts. Most of these laws are patterned after the NAIC model, which requires consumer notice and consumer choice of parts selection without requiring insurers to pay non-competitive parts prices. State Farm supports this NAIC model regulation.

[3] Hawaii enacted HRS § 431:10C-313.6 in 1997.

State Farm supports competition in the vehicle repair industry and consumer choice, including the availability and use of quality, competitively priced aftermarket, recycled, and reconditioned parts. State Farm opposes efforts by OEMs and other interest groups to limit the parts mix through anti-competitive legislation and unnecessary regulatory restrictions. Consumers have the most to lose when competition is eliminated. **Higher repair costs mean higher insurance costs for consumers**.

The bill preamble makes statements that are just inaccurate:

- **Proper repairs require the installation of OEM parts**. Properly certified crash parts are tested for crashworthiness, fit, finish, corrosion resistance, and safety. Indeed, existing law requires that only parts that are so certified may be used.
- **To reduce costs, some insurance companies only pay for vehicle repairs made with aftermarket parts.** It is true that aftermarket parts can be less expensive than OEMs, otherwise, there would be no point in using them. What is not true is that they are inherently inferior. In fact, there are situations where the same parts maker produces both the OEM and non-OEM parts in the same factory.
- **Aftermarket parts are unsafe because they are not tested.** CAPA-certified aftermarket parts do undergo rigorous testing, using some of today's most advanced testing equipment and technologies: lasers, infrared spectrographic analysis, Differential Scanning Calorimetry Test for Plastic and Foam, and full part stress testing (crash-testing).[4] Insurers do try to save their policyholders money by getting repairs done as economically as possible, but existing law already requires that the parts used must be "equal or better quality," and MUST warranty them "for the same guarantee period as the [OEM] part."[5] Ultimately, all repair costs are borne by consumers in the premiums they pay for insurance.

There is no doubt that the availability of competitively priced, non-OEM parts protects consumers from monopolistic parts pricing by OEMs. Current law already requires insurers to use the OEM part if there is no comparable aftermarket part that performs as well as or better than the OEM. This bill does not change that. What it does do is require all consumers to pay higher insurance prices for those consumers who choose to have an OEM part when a comparable aftermarket part is available and will do the job. State Farm believes in consumer choice, but it also believes that other consumers should not pay for those choices. This legislation will allow OEM manufacturers to charge whatever price they want, giving them a monopoly. This will effectively ban aftermarket parts, and means all consumers will pay more for insurance, especially those that can least afford it. This is bad for consumers.

Thank you for the opportunity to present this testimony.

[4] Science of Testing, www.capacertified.org.

[5] HRS § 431:10C-313.6(b).

February 18, 2019

The Honorable Rosalyn Baker
Senate Committee on Commerce, Consumer Protection, and Health
415 S Beretania Sreet
Honolulu, HI 96813

LKQ Opposes Senate Bill 823

Dear Committee Chair Baker and Committee Members:

As a Government Affairs Representative for LKQ Corporation, I am greatly concerned with SB 823, governing the use of automotive crash parts in Hawaii. SB 823 is scheduled for consideration before your Committee on Thursday, February 21st at 9:00 am.

The bill mandates the use of OEM parts if the part affects a vehicle's crash avoidance or safety systems, requires the use of OEM parts only if an alternative part would void the manufacturer's warranty or lease agreement, and restricts the use of non-OEM parts on vehicles that are five (5) years or newer as of the date of the collision. When broadly interpreted, SB 823 seeks to eliminate the use of non-OEM alternative parts by promoting the wrongful presumption that they are unsafe and inferior compared to OEM parts.

The bill's legislative digest provides false and inaccurate information, creating a bias against the use of non-OEM parts and calls into question the integrity of the alternative parts industry as a whole. Such statements are highly misleading and may persuade committee members and consumers alike to believe that non-OEM parts are inferior to their more expensive OEM counterparts, all in an effort to secure a monopoly.

Non-OEM parts benefit consumers by providing a more affordable alternative to OEM parts for vehicle repairs. Importantly, they create competition which, in turn, drives down the cost of OEM parts. In all respects, greater competition, lower costs, and lower insurance premiums are all direct benefits from the free use of like kind and quality alternative parts in automobile repairs.

Furthermore, LKQ firmly believes that consumers should have the right to know the type of parts that are being used to repair their vehicle. This information should be delivered to the consumers in a fair and balanced manner.

LKQ Corporation is a leading provider of alternative and specialty parts to repair and accessorize automobiles and other vehicles. LKQ offers its customers a broad range of replacement systems, components, equipment and parts for automobiles, trucks, and recreational and performance vehicles. Globally, LKQ has an industry leading team of over 43,000 employees operating in 25 countries at more than 1,500 facilities.

We appreciate the opportunity to submit our written comments and respectfully express our OPPOSITION to SB 823. ***We urgently ask you to reconsider your bill and allow non-OEM alternative auto parts to continue to service consumers in Hawaii while maintaining consumer choice and open competition in the automotive industry.***

Please do not hesitate to contact me if you have any questions, comments or input. I can be reached at ebenezersdg@outlook.com and 754-248-9796.

Respectfully,

Catalina Jelkh Pareja
Government Affairs Representative

American Property Casualty Insurance Association
INSURING AMERICA apci.org

To: The Honorable Rosalyn H. Baker, Chair
The Honorable Stanley Chang, Vice Chair

From: Mark Sektnan, Vice President

Re: **SB 823 – Motor Vehicles Repairs**
APCIA Position: OPPOSE

Date: Thursday, February 21, 2019
9:00 a.m., Conference Room 229

Aloha Chair Baker, Vice Chair Chang and Members of the Committee:

The American Property Casualty Insurance Association (APCIA) is **opposed to SB 823** which mandates the use of original equipment manufacturer (OEM) parts for all repairs by creating a standard for non-OEM parts that doesn't exist. Representing nearly 60 percent of the U.S. property casualty insurance market, the American Property Casualty Insurance Association (APCIA) promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe.

SB 823 imposes several layers of requirements in order for an insurer to use an aftermarket crash part or a Like Kind and Quality (LKQ) part in a repair. If it is virtually impossible to use anything but OEM parts, the cost of repairs will inevitably increase. Moreover, there will be more vehicles totaled if the cost of repair is too high compared to the vehicle's value. Older vehicles will not be repaired at all as OEM parts will not be available.

We believe that requiring the use of higher cost OEM parts without any safety benefit could result in a monopolistic market for motor vehicle repair parts and could increase costs of motor vehicle insurance for everyone, even those who are never involved in a crash.

SB 823 requires an LKQ part to perform at least as well as the OEM crash part in a crash avoidance and safety system test. Parts, whether they be OEM or LKQ, are not individually tested but rather they are tested as part of the whole vehicle. Furthermore, the test is not a crash avoidance test, but an actual crash, and finally, "safety system" and "safety system test" are terms undefined. Therefore, an LKQ part can never meet the requirements of this subsection.

It is **not** true that some insurers use only after-market parts; some parts (air bags, for example) are only available as OEM. The law currently requires that the insurer guarantee the part if it is not OEM. Insurers do not take such guarantees lightly and it is in our and our customers' interest to ensure that repairs are performed correctly.

If the goal of SB 823 is to ensure consumer safety by making the use of non-OEM parts illegal, those installing them must be licensed and certified by the State of Hawaii. Such licensure should include provisions for continuing education, given the rapid rate of change in automobile electronic and safety systems. Further, Hawaii auto body repairers should be certified by the auto manufacturers themselves. This is in the interest of consumers and in the interest of the body shops as well because this bill effectively transfers liability for repair quality and safety to the body shop.

Today, the Hawaii market is dynamic in the way different insurers handle repairs of motor vehicles. This is good for the consumer because they are able to purchase the type of insurance that fits their personal situation. Insurers sometimes use aftermarket parts in repairs because they cost less while providing the same quality. Savings resulting from this practice have been passed on to consumers over many years with no impact on safety in Hawaii.

For these reasons, APCIA asks the committee to **hold** this bill in committee.

February 19, 2019

The Honorable Rosalyn H. Baker Chair
Committee on Commerce, Consumer Protection, and Health
415 South Beretania Street
Honolulu, HI. 96813

RE: SB 823

Dear Chairman Baker,

Prism Group LLC opposes Senate Bill 823.

Section 1 states "These aftermarket crash parts, also called non-original equipment manufacturer parts or generic parts, are not made by the original manufacturer and can be unsafe because they are not crash-tested and are inferior to original equipment manufacturer crash parts in fit and finish." What is the definition of a "crash part"? Is it a part that is intended to protect the occupants of a vehicle or Is it a part that is cosmetic in nature and not considered a safety concern? Is this an attempt to clarify what aftermarket parts are used in a repair or is it attempt commingle all parts used in a vehicle repair? For example, a vehicle is in an accident, the bumper cover and an airbag are damaged and need to be replaced. Both items could be considered a "crash part" since both items were damaged during an accident. The use of the words "crash parts" is concerning and needs a definition that specifically states the exact parts that it categorizes. One definition use by Georgia Collision Industry Association (https://gcia.org/consumers/crash-parts-2/) states "Crash parts are exterior sheet metal and plastic body parts, such as hoods, doors, fenders and bumper components, most frequently damaged in a vehicle accidents". This definition should be expanded to include items like grilles, headlights, taillights, other lamps, and other cosmetic trim parts. A definitive definition should be included in this bill and any future bill when the term "crash parts" are used. If not the term "crash parts" will be open to various interpretations and create unintended confusion.

To state that aftermarket parts are not crash tested and are therefore unsafe is a biased opinion that needs to be removed. Some of the proponents of this bill are body shop owners/operators with years of experience and various certifications. The credentials presented would qualify these people as experts in autobody repair. The same credentials would not qualify them as a crash test expert. The most accurate and current opinion with regards to crash test and aftermarket parts can be provided by an organization called IIHS (Insurance Institute for Highway Safety). One of the functions of the IIHS is to crash test vehicles and rate vehicles for safety. They also provide crash test data to the insurance industry. The IIHS regards most aftermarket parts as cosmetic and does not need to be crash tested. These parts include bumpers, grilles, fenders, door skins and trim. The IIHS crash tested a 1997 Camry with these parts removed and concluded that the damage or potential injury was the same as a 1997 Camry with these parts attached. Since the IIHS does crash test, their data and opinions are very important. Currently the opinion of the IIHS is the only valid opinion. To make it clear, these parts do not need to be crash tested because the vehicle manufacture did not intend these parts to protect the

occupants of their vehicles. So, to require aftermarket cosmetic parts to be crash tested in order to be deemed safe would be putting a higher expectation on an aftermarket part than the original OE part.

As for fit and finish being inferior that is also an opinion and should be removed from this bill. There are two independent organizations that certify aftermarket parts for proper fit and finish. CAPA Certified Auto Parts (CAPACertified.org) and NSF (NSF.org). Parts certified by these organizations are equal or better than the OEM parts in both form and fit.

Regarding he statement in section 1, the only thing that is relevant is that the parts are not made by the original manufacturer. So that statement should read "These aftermarket crash parts, also called non-original equipment parts or generic parts are not made by the original manufacturer. Crash parts are defined as exterior sheet metal and plastic body parts, such as hoods, doors, fenders, bumper components, grilles, headlights, taillights, other lamps and other cosmetic trim parts." The rest of the original statement is someone's opinion and should not be a part of any legislation.

The second statement of concern and needs to eliminated is as follows. "This practice of the insurance industry has resulted in lawsuits across the nation when aftermarket crash parts installed in repaired vehicles have failed in subsequent collisions." This statement is false. I could not find a lawsuit involving a certified bumper, fender, or hood that failed in a collision. Most lawsuits involving collision repair dealt with poor workmanship. Also, if this statement had any truth to it, the insurance industry would be the first ones to feel the impact and discontinue using aftermarket parts.

The use of aftermarket parts in a collision repair can save the insurance company and ultimately the consumer a lot of money. A study done in 1999 by the Alliance of Automotive Insurers organization found that a $25,000.00 vehicle would cost $100,000.00 to rebuild using OEM parts. I could only wonder what the cost would be today, 20 years later. Here is an example, the OEM bumper cover for a model year 2016-2019 Toyota Tacoma will cost an insurance company approximately $340.00. An aftermarket bumper cover will cost $230.00. A substantial difference. Now take that same difference and apply it to the other parts that are probably used in a typical repair like the hood, fender, grille, and headlights. The cost savings for the whole repair can be very significate. Insurance premiums are currently based on the use of aftermarket parts where applicable. These parts are cosmetic parts and are not designed by the OE vehicle manufacturer to protect the occupants of a vehicle. Hence bumper covers, fenders, grilles, lamps, and the like don't affect safety. All items relating to safety are purchased from the OEM supplier. Safety items can include parts like airbags, airbag sensors or modules, lasers, cameras and millimeter radar. Insurance companies make their money managing risk so they will not purchase safety related items from the aftermarket and risk a potential lawsuit. If all the "cosmetic parts" were purchased from an OEM supplier, the cost to repair a vehicle would be substantially higher. As the cost of a repairs increase, more cars will be deemed "Total Loss" and may cause financial hardships for those involved.

The proposed changes in Section 2 states "If the insured consumer chooses the use of an original equipment manufacturer crash part that would affect the insured consumer's crash avoidance

or safety systems, the insured consumer shall not pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent like kind and quality crash part".

The term "affect the insured consumer's crash avoidance or safety systems" is vague and open for many different interpretations. Crash avoidance systems use a combination of two or all three of the following sensors. Lasers, cameras or millimeter radar. Aftermarket parts used to repair vehicles with a crash avoidance system normally provide mounting brackets or openings for these sensors. Laser sensors for example are usually mounted in a hole or opening in a vehicle's bumper cover. Manufacturers have gravitated to mounting millimeter radar sensors in the grille area usually behind the manufacturer's emblem. If an aftermarket grille or bumper cover were used to mount a sensor, can a consumer claim that these parts "affect" their crash avoidance system and insist on using OE parts?

Proponents for this bill will testify that some millimeter radar sensors are mounted behind a bumper cover so the thickness of the bumper cover and the thickness of the paint over the bumper cover can cause a sensor to have in inaccurate readings. This is true. Although, it is more common now days for radar sensors to be mounted in the grille area behind the vehicle's emblem. By doing so car manufacturers can avoid the issue of bumper cover and paint thickness entirely. All bumper covers, OEM or aftermarket will have thickness variations. That is inherent to the manufacturing process. A bumper cover is made by spraying liquid plastic in a mold so thickness will vary from bumper to bumper. The material used to make an emblem lends itself to greater accuracy. Emblems are not available to the aftermarket due to trademark laws and are only sold by the OEM.

I have never had a CAPA or NSF certified bumper cover returned after it was installed and painted because a sensor did not function correctly. I expect a few body shop operators will testifying that aftermarket bumper covers do not meet the necessary specifications. The testimony of two of these shops will be particularly interesting since both these body shops do not use aftermarket parts. Prism Group LLC is one of two aftermarket vendors in Hawaii. Both of us refuse to do business with these shops. So, if these shops are not actively using aftermarket parts, can they truthfully offer an opinion regarding the thickness of an aftermarket bumper cover? Can they offer any opinion regarding aftermarket parts?

Section 2e "This section shall apply to crash parts for vehicles that are not more than five years old, as of the date of the collision"

I don't understand the logic. Aftermarket parts that work to specifications for vehicles five years or older, will work to specifications on newer cars also.

Section 2f ""like kind and quality" means having a quality that is equal to or better than the original equipment manufacturer crash part and performing at least as well as the original equipment manufacturer crash part in a crash avoidance and safety system test"

Here again a definition is required. What exactly is a crash avoidance and safety system test? Is it a static test like the post repair procedures that are required after a vehicle is repaired? This procedure usually involves aiming and configuring sensors. Could this test be a dynamic test like driving the vehicle towards a wall at 40 mph? I suspect it is the former, and if that is so, then language to that effect should be included in this section. An exact definition of "test" is needed.

This bill and HB62 was probably created by three auto body shops. The same three shops that tried to introduced legislation in 2018 (HB1620 and SB2243). Last year they tried to comingle all parts used in collision repair, aftermarket cosmetic parts like bumper covers and safety related items like air bags. Suggesting that when it came to safety related parts the insurance companies were using aftermarket parts instead of OEM parts. All the while hoping that members of the legislature could not differentiate between the two. They used the Armageddon approach saying "someone's going to die if the legislature did not do something about it".

This year, they created HB62 where they wanted insureds not to have to pay the difference if an OE manufacturer recommended that an OE part be used in a repair. All vehicle manufacturers will recommend their parts over the aftermarket. This bill was amended and needs further testimony.

The language in this bill suggest that they further want to confuse law-makers, using new terms like "crash parts" that if left undefined will not improve the current bill but will create confusion instead. To focus on items relating to "crash avoidance and safety system" sounds like another Armageddon moment. Aftermarket parts are normally used to mount a sensor and will not hinder the operation of the sensor. There is no safety issue using an aftermarket part on a vehicle equipped with a crash avoidance system.

Profit could be the motivation for these body shops to pursue this type of legislation. They will deny this, of course. Body shops on average make 25% of the list price of a part. Referring to my earlier example the Toyota Tacoma the bumper cover has an OEM list of $340.00 while the aftermarket list is $230.00. If you do the math, 25% of $340.00 is more than 25% of $230.00. Now extrapolate, adding the other parts typically replaced in a front-end collision. Lets added the hood, fenders, headlights, grilles, etc. All these parts from the OEM have list prices that are substantially higher than the aftermarket counterparts. That is a lot of profit that the body shop did not make. While these body shops can deny that profit is their motivation. They cannot deny that an economic benefit exists using OE parts. It seems like all these attempts to change the current law are for the benefit of body shops and not the consumer. With regard to vehicle repair the current law is fine. Consumers who want to use OEM parts should pay the price difference or choose a different insurance carrier. What is the saying, "if it's ain't broke, don't fix it".

One part of the law that needs to be addressed is disclosure. Last year's bills, HB1820/SB2243 had testimony from consumers. Their stories were very similar. First, they were not told that aftermarket parts would be used in future repairs. Secondly, had they known at the time, they would have opted for a different policy that used only OEM parts. I believe that they were not told and I also

believe that they did not ask. Asking what type of parts will be used in a future repair is not a normal question unless they already had experience with previous accidents or insurance carriers. Policy holders become aware of what is stated in their policy after they are involved in an accident. That is why more disclosure and coverage options are needed at the time a policy is purchased and upon subsequent renewals. This was suggested in HB62 and seems to have been adopted in the amendment.

Thank you

Michael Yang
Prism Group LLC

February 19, 2019

Committee On Commerce,
Consumer Protection and Health
Senator Rosalyn H. Baker, Chair

Re: Written Testimony in Opposition to Senate Bill 823

Senator Baker,

My name is Dan Dutra. I am one of the owners of Sigs Collision Centers and Oahu Aluminum Repair. We repair an average of 300 vehicles per month. Our volume exceeds any other collision repair organization in the State of Hawaii.

I am opposed to the Senate Bill 823. The language in SB823 attempts to address safety and crash avoidance systems but only adds confusion to the conversation. This is a complex subject that cannot be painted with a broad brush. For example, in its current iteration, this bill creates the unintended consequence of placing responsibility for disclosure to and interpretation of the law for the consumer on the collision repair community. Collision repairers are ill equipped to accomplish this effectively.

Safe repair of vehicles is a concern for the public, for insurers and certainly for collision repair shop owners. The type of parts used in vehicle repair, whether OEM (original equipment manufacturer), aftermarket or recycled, is not the issue. It is the actual repair process in the shop that is of primary concern. There is significant lack of proper training and appropriate equipment that exists in collision repair shops today. I would suggest that more than 60% of the collision repair shops in Hawaii are not equipped to follow OEM standards for a safe and proper repair.

Aftermarket exterior parts do not make for an improper repair or create unsafe conditions. It is an improper repair executed by an inadequately equipped shop and insufficiently trained technical staff that have the greatest potential to harm people.

A quality collision repair shop will make the right choice about which part to use and how to complete a safe and proper repair without a law mandating this. A shop that is not equipped or trained to complete a proper safe repair WILL NOT magically complete a safe repair because the Senate passed a law that urges them to use OEM crash parts over aftermarket parts.

I would respectfully suggest that SB823 be tabled as it will not address the root causes of unsafe vehicle repair and will, in practice, add additional cost and confusion for consumers without making collision repair safer for the public.

Respectfully

Dan Dutra

Owner/Partner
Sigs Collision Centers
Waipahu
Wahiawa
Kaneohe

Owner/Partner
Oahu Aluminum Repair (OAR)
Aluminum & Advanced technology repairs
Waipahu

Mascot Auto Parts Opposes Senate Bill 823

Dear Committee Chair Baker and Members:

Motor vehicle owners have the right to expect a proper repair that upholds a quality for fit, function, and safety following a collision. Several motor vehicle insurers already offer insurance policy that allow the insured consumer of authorizing a repair provider to utilize a like kind and quality crash part or the original equipment manufacturer (OEM) crash part in Hawaii. Consumers need to gain as much knowledge and choose a policy that will help secure their personal investment into that vehicle. However, the bill is promoting a misleading view on aftermarket parts as "unsafe, because they are not crash-tested and are inferior to original equipment manufacturer parts in fit and finish". Such statement may cause consumers to believe under a false pretense that only OEM parts can restore their vehicle to pre-collision conditions.

The current aftermarket crash part industry has non-profit organizations that provide certification services such as, Certified Automotive Parts Association (CAPA), an American National Standards Institute accredited standards developer for competitive crash repair parts. CAPA assures the quality of aftermarket replacement parts by examining the manufacturer's plant, equipment, process, and products. They will only issue their seal on examined parts that are deemed equivalent in appearance, fit, material composition, and mechanical properties to new OEM parts after they pass rigorous testing procedures, which includes crash test.

SB823 states that the insured consumer that chose OEM parts shall not be required to pay additional cost if aftermarket parts are determined to affect "crash avoidance or safety system" or if the use of non-safety concern related aftermarket parts would "void an existing manufacturer's warranty". For SB823 to effectively create transparency for consumer and businesses within the industry, SB823 need to require manufacturers to provide a list of all aftermarket parts (cosmetic and structural) that will affect crash avoidance or safety system or void warranty and justify with statistical evidence of such claim. In addition, SB823 fails to mention that manufacturer's basic warranty has a variety of lifespan for different crash parts, this bill should follow vehicle manufacturer's specific warranty requirements for different parts and not generalized to "apply to crash parts for vehicles that are not more than five years old, as of the date of the collision".

Mascot Corporation is a local company who retail and wholesale aftermarket body crash parts to residents and repair shops of Hawaii since 1999. We import high-quality and certified aftermarket auto parts from manufacturers that have been approved by CAPA. As a vendor for cosmetic collision parts, we are responsible for providing diverse and quality parts to our community. We support fair business practices, however, this bill unintended cause a monopoly in favor of vehicle manufacturers and OEM parts due to deception against aftermarket parts as unsafe. We sincerely ask you to reconsider your bill.

Respectfully,

Mascot Corporation

Testimony from Dale Matsumoto, President of Auto Body Hawaii, Kailua-Kona
In support with comment of SB823; Relating to Motor Vehicle Repairs
Senate Committee on Commerce, Consumer Protection & Health
Thursday, February 21, 2019, 9:00 a.m., Room 229

Aloha Chair Baker, Vice Chair Chang and Members of the Committee,

My name is Dale Matsumoto, I am the President and co-owner of Auto Body Hawaii located in Kailua-Kona on Big Island of Hawaii. Our family owned company has been in business for over 43 years and for the past 40 years, I have continued to personally repair vehicles along side of our team of technicians. We are well known for our high quality standards in repairing vehicles and also hold high quality standard of excellence in continuous training for our entire staff. We are known throughout the collision industry, in our community, in this State, the Nation and in different parts of the world. We have attained the prestigious Gold Class status by I-CAR, which approximately only 20% of collision repair shops have attained. I-CAR's Gold Class designation lets you know that a collision repair shop has trained technicians who know how to repair your vehicle properly. Our technicians, including myself are ASE certified and also have attained our Hawaii State Mechanic's Licenses. We were Hawaii's very first Jaguar Certified Repairer for their aluminum vehicles in 2004 and also Hawaii's first certified Mercedes-Benz Collision Repairer in 2005. And we are the only Honda/Acura Certified Repair Center on the Big Island.

In regards to SB823, I am thankful to see that the legislature finds that motor vehicle owners have the right to have their vehicles repaired properly, which also includes the installation of OEM parts, to ensure proper fit and function and that safety is emphasized. I am also pleased that the legislature finds that some insurance companies will only pay for non-OEM parts and that you have identified that these parts can be unsafe and inferior to OEM parts.

Though I do not agree that any consumer must pay for the cost difference between a "like kind and quality" part and an original equipment manufacturer part, I do find comfort that "claimants" has been removed, which I am in strong support of.

Other comments/suggestions;

1) Remove "like kind and quality" or at least have a definition of it. When the words, "Like, Kind and Quality" or "LKQ" made its debut into the collision industry somewhere back in the 70's or so, it pertained to a "used or recycled" OEM part. The current §431:10C-313.6 reference to "like kind and quality" seems to refer to an aftermarket part, a non-OEM part, a part not manufactured by someone other than the vehicle's original manufacturer.
2) Replace "like kind and quality" with "Aftermarket (Non-OEM)" and apply a definition to the term as a part not manufactured by the original vehicle manufacturer.
3) There is no such thing as a like kind and quality crash part being of equal to or better quality than the original equipment manufacturer crash part. The only thing that is equal to an OEM crash part, is an OEM crash part.

   The scenario is similar to diamonds; either it is a diamond or it is not a diamond. Moissanite, Cubic Zirconia, Zircon, White Sapphire, Rutile, Spinel, Synthetic Garnet and even Glass can look similar to diamonds, especially to the untrained eye, but they are

still not diamonds. The Mohs scale of mineral hardness is utilized to rate gemstones, in this case diamonds are rated at 10, being the hardest natural gemstone known. All other gemstones being softer are rated below10 as do not have the same hardness as a real diamond. So like an aftermarket part, fit and finish may be duplicated but performance is another story.

In February of 2010, Hawaii's Legislatures addressed the use of Salvaged (Used) Airbags in SB2022, which was successfully and rightfully defeated, due to consumer safety reasons, as the proper performance of a used/recycled airbag could not be determined. A recycled airbag that was removed from a vehicle that was in a flood was a good example of why it was not safe to use a used, salvaged or recycled airbag.

4) The proper industry term for crash avoidance is "Advanced Driver Assist Systems (ADAS)".
5) Setting a limit on vehicles that are not more than five years old, as the date of the collision is not reasonable, as safety systems in vehicles have been implements much longer that five year ago.
6) Setting a time limit to be repealed in 2024 is also not reasonable as safety systems in vehicles will become more prevalent and complex in the future.

In regards to the current §431:10C-313.6, no legislature measure should have to regulate proper and safe repairs. Vehicle manufacturers have already researched and developed proper repair procedures that have been tested in order to assure that the vehicle will function in the manor that it was originally engineered to do so if involved in a subsequent accident. With the technological advancements the only proper way to repair today's vehicles are to follow the vehicle manufacturer's recommended repair procedures, which also includes the use of their Original Equipment Manufacturer (OEM) parts. Advanced Driver Assistance System (ADAS) in vehicles are very complex and many of them are integrated within each other. Safety systems like Supplementary Restraint Systems(Air Bags), Adaptive Cruise Controls, Automatic Braking Systems, Predictive Collision Avoidance Systems, Blind Spot Detection Systems and many more utilizes electronic control modules, sensors, lasers and infra-red thermal cameras. These systems and components are integrated within each other and its proper operation can be compromised by the use of non-OEM parts. These systems and their components are very technically advanced to the point where the average repair facility (mechanical and collision), including dealerships, do not thoroughly understand them, and they will be more complex in the days to come. Repairing vehicles properly requires following the vehicle manufacturer's repair procedures exactly, which also includes the use of OEM parts, this ensures that the vehicle and all of its safety systems operate in the exact manor that it was designed for, in order to best protect its passengers.

SB823 is based on preventing additional cost to the claimant consumer and to the insurer and it does take into consideration the safety aspect for the insured consumer. I am in support of SB823 but respectfully would like the Committee to consider my comments and/or suggestion in this testimony.

Mahalo,
Dale Matsumoto, President
Auto Body Hawaii
73-5601 Maiau Street
Kailua-Kona, Hawaii 96740
dale@autobodyhawaii.com

I-CAR, the Inter-Industry Conference on Auto Collision Repair, is an international not-for-profit organization dedicated to providing the information, knowledge and skills required to perform complete, safe and quality repairs. Formed in 1979 out of a collaboration across the six segments of the collision repair Inter-Industry, I-CAR serves and is represented by all segments of the Inter-Industry: Collision repair, Insurance, Original equipment manufacturers (OEMs), Education, training and research, Tools, equipment and supply, and related industry services

ASE, the National Institute for Automotive Service Excellence, since 1972 is an independent non-profit organization that works to improve the quality of vehicle repair and service by testing and certifying automotive professionals. ASE test and certifies automotive professionals so that shop owners and service customers can better gauge a technicians level of expertise before contracting the technician's services and can offer tangible proof of their technical knowledge.

SB-823
Submitted on: 2/19/2019 9:50:24 PM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jane Sugimura	Individual	Support	No

Comments:

Testimony Supporting SB823 - Aftermarket Vs OEM Parts

Senate Committee on Commerce, Consumer Protection, and Health (CPH) Thursday Feb 21, 2019 9 AM – Room 229

Ed Wagner, a former GEICO Policyholder for 55 years

Aloha Chair Baker and members of the CPH Committee,

Note: HB62 language should be modified to include the same language as SB823 in its final form. These 2 bills are the resurrection of HB1620 and SB2243 from 2018.

It is worth noting that HB241, also Relating to Motor Vehicles, is about peer to peer ride sharing and the concern over companies using cars that are subject to a safety recall until the safety defect is corrected.

Stephen Levins of DCCA Consumer Protection supports the original bill, not the amended bill that wants to do a study! I bring this bill to your attention because all 3 bills concern vehicle safety.

https://www.capitol.hawaii.gov/measure_indiv.aspx?billtype=HB&billnumber=241&year=2019

If there is a genuine concern over vehicle safety and human life for rental cars subject to a safety recall, then why should there not be an equal or greater concern about correctly fixing a vehicle after an accident to insure the safety of the vehicle when returned to the owner?

Does it make any difference who is driving a vehicle, a tourist or a resident? Is a tourist's life worth more than that of a Hawaii resident?

Do you even dare to place a dollar amount on your own life or that of a family member while driving a car? Does that amount decrease with the age of a vehicle as does its resale value?

If you listen to the insurance companies and Aftermarket (AM) parts manufacturers and distributors opposing these bills, they are

indeed placing a dollar value on a human life because profits are much more important to them than auto safety. They value their insatiable worship of “King Moolah” over the value of life itself!

If you pass this bill, the life you save may be your own or someone close to you. However, what this country needs is one standard federal law from the US Senate Subcommittee on Insurance and Consumer Protection, not 50 different laws!

Neither SB823 nor HB62 bill’s language clearly defines and distinguishes between general replacement parts and highly specialized replacement ‘**crash safety system**’ parts.

Replacement parts are those that can be provided by both OEM and AM suppliers and that may or may not be used specifically to repair a damaged vehicle. They may simply be used to replace a failed part. They are not part of the vehicle crash safety and avoidance systems.

Replacement parts include consumables such as wiper blades, brake pads, brake fluid, antifreeze, motor oil, tires, and non consumable such as radiators, AC compressors, alternators, headlights, taillights, wheels, brake and wheel cylinders, and Etc. Many non consumables just fail over the life of the vehicle from wear and tear just like we humans all fail in the end from wear and tear! 🙃

Replacement ‘crash safety system’ parts, on the other hand, are an integral part of the vehicle crash safety and avoidance systems. They are specifically engineered to insure that passengers are protected as designed by the vehicle manufacturer and certified by them through crash testing those parts on a vehicle.

This certification is a very costly process that aftermarket parts manufacturers do not and cannot afford to do because such testing would raise the cost of their parts to that of OEM crash safety system parts.

Replacement 'Crash Safety System' Parts include fenders, hoods, radiator supports, door shells, roof tops, frame parts, and etc.

Replacement 'Crash Safety System' Parts should be required by this bill - and HB62 - to be supplied only by the OEM whether the failure is caused by a part failure such as a sensor or by an accident and regardless of the age of the vehicle.

Insurance companies and aftermarket (AM) parts manufacturers and distributors continue to claim that **ALL** their parts are of like kind and quality (LKQ) to OEM parts. When it comes to a vehicle's CRASH SAFETY SYSTEMS, that is false statement based solely on greed, self-interest, and the low value that they place on a human life.

However, it is a GENERALLY correct statement when referring ONLY to non-crash safety system parts, or 'replacement parts'.

Many, but not all 'replacement parts' from AM manufacturers, are of like kind and quality to OEM 'replacement parts' and are often used by body shops.

Thus, there will never be, as falsely argued by opposers to this bill, a vehicle manufacturer monopoly on 'replacement parts'.

However, the decision to use such parts rests solely with the body shop since the shop must determine, based upon experience, if such a part from a particular manufacturer is of like kind and quality or not. Shops return AM parts to the distributor if they find them not to be of like kind and quality, including improper fit.

After all, it is the body shop that is solely responsible for repairing a vehicle correctly and according to OEM manufacturer procedures and guidelines to return it to a safe to drive, pre-accident condition, not the insurance company.

Don't let any insurance company tell you that they guarantee or warranty repairs. They do not! If someone is in an accident

caused by shoddy work, the body shop is liable, not the insurance company.

"Who Guarantees Repairs?" The Insurance Company or the Auto Body Shop?

https://www.youtube.com/watch?v=7RoiWl9BWJU

Insurance companies cannot tell the body shop how to repair a vehicle by cutting corners to protect insurance company profits, but they have been known to do so. A Texas body shop cut corners and did not follow OEM repair procedures. State Farm was involved in that case.

$42 Million Verdict Warns Auto Insurance Carriers To Stop Bullying Body Shops Into Making Shoddy Repairs

https://www.vehiclesafetyfirm.com/blog/safety-defect/car-repair/42-million-verdict-warns-auto-insurance-carriers-to-stop-bullying-body-shops-into-making-shoddy-repairs/

Here is what happens when an airbag deploys a hundredth of a second late using a watermelon in place of a person's head. 🤯

https://gizmodo.com/this-is-what-happens-when-an-airbag-deploys-a-hundredth-1690481385

This can happen as a result of faulty vehicle repair or sensor malfunction. Failure to perform pre and post electronic scans of safety systems like airbags is NOT an option!.

Class-action lawsuit hits GEICO over unsafe repairs - scans
https://globenewswire.com/news-release/2017/12/15/1262683/0/en/Class-action-lawsuit-hits-GEICO-over-unsafe-repairs.html

No body shop should ever be allowed to repair a vehicle unless the shop has been certified by the vehicle manufacturer to do so. This will raise the standards for everyone to insure the safety of our residents, including all of you.

The AM companies continue to claim that their parts are of “like kind and quality” as OEM parts, including crash safety system parts, simply because they are certified by the Certified Automotive Parts Association (CAPA).

However, CAPA still does not, to my knowledge, incur the extra expense that vehicle manufacturers do to crash test their safety system parts **on a vehicle** at sufficient speed to insure that they meet OEM specifications. Doing so would only raise the cost of those AM parts to OEM prices, and decrease profits of the insurance companies and AM parts manufacturers.

In fact, those who oppose this bill continue to argue that OEM parts are higher in cost than AM parts, and that alone justifies the use of AM parts instead of OEM parts. The extra cost is obvious, given the added cost of crash testing done by the OEM to insure passenger safety, but not done by the AM manufacturer.

What opposition fails to mention is that the extra cost for all parts, like everything else in Hawaii, is the direct result of the 20% to 30% increase in the cost of ALL goods shipped to Hawaii because of the Matson shipping monopoly which depends on the Jones Act of 1920 for its very survival. Eliminate the Jones Act, and the cost of all goods shipped to Hawaii will decrease, including replacement vehicle parts.

What opposition also fails to mention is that, to my knowledge, one company may be stocking AM parts in a warehouse and stands to lose a lot of money if inventory can’t be sold quickly because OEM crash safety system parts are required by law to be used instead of AM parts. Again, the self-interest and greed for profits at the expense of auto safety and human life.

Insurance companies and the Insurance Commission continue claiming that using OEM parts instead of AM parts will raise insurance premiums.

According to testimony submitted last year for SB2243 and for HB62 on Feb 6, “Property Casualty Insurers Association of America reported if all AM parts (this includes radiators and condensers) were banned: consumers with liability and physical damage coverages may have paid an additional 2.6 percent (or $24) more per insured car each year because non-OEM aftermarket parts were banned. That’s $2.00 per month per vehicle.”

If the insurance companies raise rates more than 2.6%, it should be considered price gouging and insurance fraud and appropriate measures taken to level a multi-million dollar fine on the perpetrator(s). If they all raised rates approximately the same amount, that would be likely be illegal collusion and price-fixing.

Note: All of this will be moot once autonomous vehicle technology matures enough to all but eliminate accidents, thereby eliminating most of the need for auto insurance and vehicle repairs! Some auto insurance companies will go out of business.

Warren Buffett says that self-driving cars will be bad for insurance companies - including GEICO

https://www.theverge.com/2016/5/2/11565272/warren-buffett-geico-self-driving-cars-insurance-liability

Some of those opposing both Senate and House bills are clearly busy opposing bills in other states that are making progress toward passing similar bills. One such state is Texas because of the work of and support of attorney Todd Tracy.

Mr. Tracy, who won the above $42M lawsuit in 2017 against a body shop for failing to follow OEM procedures, crash tested AM crash safety system parts **in vehicles** and found them to be inferior to OEM crash safety system parts.

Some may argue that the results are within some sort of an acceptable range, but that is just a cop out to protect AM manufacturer and insurance company profits at the expense of auto safety and human life.

Attorney Todd Tracy Unveils Results of New Crash Test - Sep 19, 2018

https://www.fenderbender.com/articles/11531-attorney-todd-tracy-unveiled-results-of-new-crash-test

“The crash test results revealed that the genuine parts performed exactly as intended to ensure passenger safety, while the previously crashed aftermarket parts-installed vehicle produced results that Tracy called **"total and massive destruction" in critical areas.**”

“For example, the driver left femur force on the aftermarket parts-repaired vehicle was 1700 N (newton) but only 397 N (newton) on the vehicle repaired with genuine Honda OEM parts - a "400 percent difference," Tracy said.”

"The biggest takeaway of this presentation is that we're beginning to define what 'like kind and quality' means," said Burl Richards, ABAT [Auto Body Association of Texas] president and Burl's Collision Center owner. "We now have scientific proof that shows vehicles are safer when they're repaired using OEM parts and OEM procedures. We made major frontal repairs to this vehicle, and its crashworthiness held up and was exactly the same as a new OEM car.”

How Todd Tracy Uses Crash Tests To Prove Cases - 4’33” youtube video

https://www.youtube.com/watch?v=Gm5olV7vfc4

Todd Tracy moderate-overlap crash test of 2013 Honda Fit with aftermarket parts at Karco

https://www.youtube.com/watch?v=hTF3iVJ6gIY&t=36s

Mr. Tracy is speaking in the following video.

Crash Tests Prove Aftermarket Auto Parts & Non OEM Repairs Cause Serious Injuries

https://www.youtube.com/watch?v=Z_WnVIWfqPc

The CPH Committee might wish to contact the Todd Tracy Law firm at: 214-324-9000 for some expert advice that you won't get from an insurance company or AM manufacturer or distributor.

https://www.vehiclesafetyfirm.com/

Are auto insurers putting the bottom line ahead of safety? Nov 4 2015. Arrow must be clicked to start video https://www.wcvb.com/article/corners-cut-on-car-repairs-to-save-insurance-companies-money/8076058

Louisiana AG and Mississippi AG have been fighting insurance company abuses across administrations for several years and Senator Blumenthal has been fighting the industry for many years since he was AG for Connecticut. He is a member of the Senate Subcommittee for Insurance & Consumer Protection. His staff and other Committee member staff know all about what goes on here in Hawaii with the industry, especially in regard to GEICO.

All 3 are discussing shoddy car repair in the following video. Hawaii AG Connors should join them in fighting this epidemic scourge on our country and state. The video is just one example of faulty repairs that can be found by using a borescope in a post repair inspection. It is kind of like getting a colonoscopy! ☹️

Auto insurers accused of pushing cheap and sometimes dangerous repairs - Arrow must be pressed to start video

https://www.cnn.com/2015/02/11/us/auto-repair-investigation/index.html

Proposal for a state post vehicle accident repair inspection program to insure safe vehicle repairs

The Insurance Commission Investigations Branch Chief, Sam Thomsen, and reputable body shops support my proposal for the state to establish a post vehicle accident repair inspection

program to insure that body shops are repairing vehicles according to manufacturer required / recommended procedures and returning them to safe pre-accident condition. Such inspections would be performed by a state licensed inspector on a random basis without any prior notice being given to the body shop.

On the mainland, such post repair inspections are done at the request and expense of the vehicle owner. However, a state program could be funded in part by an annual fee levied against body shops.

“Gangsters Evading Insurance Claims Often”

The entire insurance industry in the United States is like an organized crime syndicate of sorts, brought about by the 1990’s McKinsey Report that taught the entire insurance industry, not just auto insurance, how to stop being an honest, reputable service industry and become an insatiably greedy and crooked money grubbing machine.

The infamous 3Ds of **D**elay, **D**eny, and **D**efend are used to steal millions and billions from policyholders after claims are filed as well as the infamous short-pay tactics used by many, including GEICO. Spending 15 minutes will not save anyone 15% on car insurance if you ever file a claim.

Filing a claim will cost 20% to 30% or more just to force the insurance company to pay what it is legally required to pay for the complete and safe repair of the vehicle. I call it Bait & Switch.

Insurance Claim Delays Deliver Massive Profits To Industry By Shorting Customers - 12/13/2011

https://www.huffingtonpost.com/2011/12/13/insurance-claim-delays-industry-profits-allstate-mckinsey-company_n_1139102.html

Insurance of all kinds is indeed a racket! There have been thousands of lawsuits against insurance companies all over the country, including GEICO. When will the abuses stop?

As a direct result of personal experience and extensive research, I have concluded that GEICO is not a credible testifier in regard to anything related to insurance laws much less vehicle repairs.

One body shop manager last year and one this year already testified that GEICO bullies, threatens, intimidates, or otherwise strong-arms its own body shops to do what it dictates or else suffer the loss of business. Some of its shops are highly dependent on GEICO for their survival so they are too afraid to stand up for justice by supporting any bill that takes profits away from GEICO, even at the expense of auto safety and human life.

Some of GEICOs DRP body shops on Oahu have done shoddy repairs that had to be redone by a manufacturer certified shop just to make the car safe to drive and retain its resale value.

Last month, GEICO strong-armed a local dealership into dismissing a court trial and paying the balance that GEICO was legally obligated to pay its body shop customer for the complete repairs to his vehicle or else lose gobs of money each month from the sale of OEM parts to some of its body shops.

Wouldn't such conduct fall under 431:13-103 (Unfair methods of competition and unfair or deceptive acts or practices and section 11 (unfair claims settlement practices)?

Would such conduct be considered a violation of FTC Restraint of Trade, racketeering, or even blackmail that should be investigated by DOJ, FBI and the Hawaii AG?

Then, of course, there is the case I'm working on with the Civil Beat Law Center for the Public Interest to unseal an unconstitutionally sealed complaint against GEICO in 2013 by its own managing attorney for numerous allegations of wrongdoing.

GEICO Attorney Questions Insurer's Policies
https://www.courthousenews.com/geico-attorney-questions-insurers-policies/

I have a copy of the original complaint used by Court House News to write the article in case anyone cares to see it. It is available for modest cost to subscribers.

https://www.civilbeatlawcenter.org/case/wagner/

The following animated videos show precisely how the insurance industry operates in ALL 50 states.

Do you really want to take your vehicle to a [GEICO] Direct Repair Shop (DRP)?

https://www.youtube.com/watch?v=7ZcjbuMEI84

Who Can You Trust?

https://youtu.be/6Qa2VYE6E30

Horton Insurance Heroes Protection Plan

The TRUTH! IF insurance company ads were honest. The arrow must be clicked to begin the video.

https://www.facebook.com/267836059978741/videos/871299129632428/

Remember, the life you save may be your own or someone close to you so don't delay. Pass SB823 and get HB62 to match this bill's final language.

Mahalo,

Edward J. Wagner

Ed Wagner

SB-823
Submitted on: 2/20/2019 8:31:36 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Linnell Heneralau	Individual	Support	No

Comments:

Yes, I am in support of SB823.

SB-823
Submitted on: 2/20/2019 8:36:37 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Matsumoto	Individual	Support	No

Comments:

Yes I am in support of SB823.

SB-823
Submitted on: 2/20/2019 8:41:05 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kelsie Cady	Individual	Support	No

Comments:

SB-823
Submitted on: 2/20/2019 8:43:32 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
DENISE DAVIS	Individual	Support	No

Comments:

SB-823
Submitted on: 2/20/2019 8:53:04 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Leslie	Individual	Support	No

Comments:

Yes, I am in support of.

SB-823
Submitted on: 2/20/2019 8:52:29 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Len Nakamoto	Individual	Support	No

Comments:

Yes in support of SB823

SB-823
Submitted on: 2/20/2019 8:44:43 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
CINDY KANOEAU	Individual	Support	No

Comments:

SB-823
Submitted on: 2/20/2019 8:45:14 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ezekiel Baker	Individual	Support	No

Comments:

SB-823
Submitted on: 2/20/2019 8:58:03 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Amanda Abe	Individual	Support	No

Comments:

I am in support of SB823

SB-823
Submitted on: 2/20/2019 8:59:18 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
georgeann reyes	Individual	Support	No

Comments:

Yes I am in support of sb823

SB-823
Submitted on: 2/20/2019 9:06:13 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
JEREMY THUMA	Individual	Support	No

Comments:

Used and aftermarket parts of any kind cannot be guarenteed to fit properly or respond as new OEM parts do in the event of a collision. Choosing to have one's vehicle properly repaired should not come at a cost to the consumer.

SB-823
Submitted on: 2/20/2019 9:06:23 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rissa Matsumoto	Individual	Support	No

Comments:

Testimony from Brandon Okahara, Vice President Oka's Auto Body

On behalf of the Automotive Auto Body and Painting Association of Hawaii

In Support of SB823 – Relating to Motor Vehicle Repairs

Committee on Commerce, Consumer Protection, and Health

February 21st, 2019

Aloha Chair Baker, Vice Chair Chang, and fellow members of the committee. My name is Brandon Okahara and I am the co-owner and Vice President of Oka's Auto Body. My father Eddie and his brothers Fred and Henry started the business in 1965 and we've been proudly serving the Leeward Community for 54 years. My parents and uncles have since retired, and my brother, sister, and I have been carrying on their legacy ever since.

I am here to submit my testimony in strong support of Senate Bill SB823. When it comes to repairing a vehicle back to manufacturer's specifications, using OEM recommended/required procedures and restoring vehicle crash worthiness, not all crash parts are created equal. In today's vehicles, the technology built into the safety and crash avoidance systems is simply remarkable. When designed, developed, tested, and then re-tested, one thing remained constant……..the use of Original Equipment Manufacturer crash parts. Long gone are the days when a bumper was just a bumper. Type of plastic, thickness of material, even down to the thickness of the PAINT applied onto the bumper can adversely affect how some of the modern safety systems operate. When it comes to a radar system "seeing" the vehicle in front of you to stop your vehicle (if equipped with forward auto braking), you better believe the importance of having the exact part that your vehicle system was designed with. We are not here to dispel the use of aftermarket parts, as there has been and always will be a place for them. However when talking about safety systems designed, tested, and then retested with genuine parts, and when airbag deployment comes down to a hundredth of a second for the system to operate properly, there should be no question. By replacing one part of the safety system with a part that may or MAY NOT react the same as the system intended, the results could be catastrophic.

We feel that should senate bill SB823 take effect, it will be beneficial to the consumer in giving them the right to choose. It should be the customer's decision on which parts are being used in their collision repair, and furthermore, they should not be required to pay the difference should they choose the parts that their vehicle manufacturer requires. It is not in their best interest to have to pay for something to be made whole again, that in many cases (i.e. claimants) was not their fault.

I appreciate the opportunity to submit testimony in support of SB823 a consumer protection bill.

Aloha, Brandon Okahara

Vice President and Co-owner, Oka's Auto Body

94-173 Leokane St, Waipahu, HI, 96797

SB-823
Submitted on: 2/20/2019 10:54:51 AM
Testimony for CPH on 2/21/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sabrina Dela Rama	Testifying for Automotive Body and Paint Association of Hawaii	Support	Yes

Comments:

Relating to Motor Vehicle Repairs COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH THURSDAY, February 21, 2019 Chair Baker, Vice-Chair Chang and members of the Committee on Commerce, Consumer Protection, and Health.

I am here to testify in strong support with the purpose of SB823.

My name is Sabrina Dela Rama, I am the manager of Tony Group Collision Center and a Board of Director for the Automotive Body and Paint Association of Hawai'i. I have been doing Collision repair for 30 years and we are a Licensed repair dealer shop, a certified OEM repairer, an I-CAR Gold Class shop, all of our collision technicians are certified in all metal welding (Steel, Aluminum and Silicone Brazing) and I am an I-CAR Platinum individual as well. Our company invests in continued training and equipment's that is needed to repair today's vehicles.

1. would like to explain why SB823 is needed to correct an obsolete law written in 1997, HRS 431:10C.313 law when written was about cosmetic parts, today's vehicle is built on safety avoidance systems and crash avoidance energy. What does this all mean? Well, today's vehicles have radars and sonars that reads through certain thickness of plastics to avoid accidents and or transfers energy through the metal and to the crush zones to move or absorber impact, it will lessen the impact which lessens injury and damages, The crash zone also sends the impact energy up and over or down and under the vehicle to avoid the occupants from feeling the shock or being injured. This is done by testing and mythology measuring every part on the vehicle as a system. The metal thickness, metal make, and crash zones position affects how the energy moves to set the timing of the airbags to go off at the precise time. The airbags must inflate and deflate simultaneously as your head is moving forward. f the airbags inflate to late you will be head on with the inflation process, thus exploding in

your face. To fast of an inflation can, cause the airbags to deflate to soon, hitting your head on the dash or windshield. Therefore, timing is everything.

2. have pulled data that shows a decrease in deaths crashes, although population is higher year after year and millions more of miles driven from 1997-2017, this data was from The Insurance Institute for Highway Safety/Highway Loss Data Institute. IHS shows dramatic drops in crashes and deaths each year, which means less risk.

Premiums make up many different aspects, 1-is body injury, 2- is death, 3- is Uninsured, 4- underinsured, 5- is comprehensive and the last is collision repair. Collision repair is only 7% of the overall cost to our premium and out of that 7% of repaired vehicles, ONLY 10-15% is parts. Therefore, 7% of collision repairs with only 10-15% of parts used to repair a vehicle and only about 25% cost difference from A/M to OE, what is really the true cost difference maybe 1%? The insurance companies are confusing the situation that premiums will increase if only OE parts are used, well, if crashes are down, repairs are down, injuries are down, how can a 1.0% increase our premium? It makes absolutely NO sense. This data comes directly from the IIHS/HLDI, TRUE FACTS.

1. that cars are being built safer and smarter, we will have a dramatic decrease in collision repair cost, injury cost and death cost benefits, fewer accidents means less cost to insurance companies risk. Here is the statistics since 431:10C-313 was in place and every 10 years after:

- 1997, deaths-**42013**, miles driven-**2,560,373**, Rates per deaths vs miles **1.64**
- 2007, deaths-**41259**, miles driven-**3,032,399** Rates per deaths vs miles **1.36**
- **2017, deaths-37133, miles driven-3,212,347 Rates per deaths vs miles 1.16**
- **SEE ATTACHMENTS FOR STATISTICS-VERY INTERESTING DATA**

1. are many insurance companies and 3 of the local carriers that don't use A/M (Generic) part for their damage analyzes and yet, they are very competitive in our market. The most that concerns me with this law is that it includes 3rd party consumers (innocent claimants). I also have concerns for consumers with Leased vehicle. HRS: 431:10C-313 causes the Lease to be in breach of their contract. I've read many lease agreements and they "require" repair must use OEM parts or a certified collision shop. Imagine you're the claimant (3rd party) and Geico's insured hits you, with 431:10C-313 you are liable to pay the difference and if you don't have money to pay for someone else's fault you may have just breached your lease agreement if A/M (Generic) parts are used. You have NO choice with the obsolete 1997 law.

I support SB823 because it does remove the claimants many insurance companies are great at confusion.

Senator Baker and Committee Chair, please pass bill SB823 I have extensive experience in the NONE fitment and the UNSURENESS of these Generic CRASH parts and they are NOT “LKQ”.

1. will probably hear an insurance company’s representative say, We (insurance company) warranty’s the Generic part for life, well, what about the safety system or the occupants if the Generic part doesn’t perform as the engineers built the vehicle? The representative specifically states the “part” singular. Well, that doesn’t help the owner if injured on a subsequent collision, the injured party don’t just want money back on a fender or a hood, etc. but that’s exactly what the insurance company states they warranty ONLY that individual Generic part,. WHY? Because they still feel CRASH parts are cosmetics and they are hoping you will too. As professionals in this business for over 30 years, I can tell you Generic parts (A/M) are NOT “like kind and quality”.

For the consumer’s safety and rights, please make changes to HRS431:10C.313, it desperately needs to be updated.

I want to thank you very much for taking the time to allow me to put in my testimony.

Sabrina Dela Rama

Tony Group Collision Center

Board of director;

Automotive Body and Paint Association of Hawai’i.

Insurance Institute for Highway Safety
Highway Loss Data Institute

IIHS News | February 15, 2018

IIHS responds to tests involving aftermarket repair parts

ARLINGTON, Va. — The Institute recently shared an **advisory on aftermarket repair parts** with its member companies as part of periodic updates on topics of particular interest to insurers. Since this issue is also of interest to other organizations and consumers, the Institute is making the advisory publicly available.

The advisory addresses the safety of aftermarket parts as they relate to crash tests that a contract test lab conducted for a Dallas law firm representing two people seriously injured in a 2013 crash. The law firm alleges that it uncovered "drastic" differences in crash test outcomes between an unmodified Honda Fit and two other Honda Fit minicars outfitted with certain aftermarket parts not sourced from the original equipment manufacturer (OEM). The tests, based on the IIHS moderate overlap front test protocol, were widely covered in the collision repair trade press.

IIHS engineers have examined the crash test details and videos the firm has shared publicly and compared them against the Institute's own evaluation of the 2009 model Fit in the moderate overlap front test. Based on a scientific analysis of the data, the Institute concludes that the Fit equipped with non-OEM aftermarket parts in the law firm test performed on par with the 2009 Fit evaluated by IIHS, with across-the-board good scores for structure, injury measures, and restraints and kinematics. The variation across the three law firm tests is similar to what IIHS has observed conducting repeated tests of identical model vehicles. The Institute's evaluation of the publicly shared results hasn't uncovered concerns about the aftermarket parts used in the law firm's demonstration tests.

The issue of the safety of aftermarket repair parts warrants serious study, and it is one that the Institute has examined several times during the past 30 years. Aftermarket parts fall into two categories: cosmetic and structural. Previous IIHS research has shown that cosmetic parts don't alter crash test results, so where they are sourced — whether aftermarket or OEM — is irrelevant. Fenders, quarter panels, door skins, bumper covers and trim aren't responsible for safeguarding occupants in a crash. That is the job of structural parts.

Structural parts make up the front-end crush zone and safety cage. The crush zone absorbs crash energy, and the safety cage helps protect occupants by limiting intrusion. Replacement structural parts must exactly replicate the original parts to preserve the integrity of a vehicle's crashworthiness, whether they are sourced from the OEM or an aftermarket supplier. IIHS research shows that some aftermarket non-OEM parts can meet these requirements.

More information

OEM vs. aftermarket parts and Honda Fit crash tests

IIHS-HLDI Advisory, No. 42, February 15, 2018

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For more information, visit our **press room**.

The **Insurance Institute for Highway Safety** is an independent, nonprofit scientific and educational organization dedicated to reducing the losses — deaths, injuries and property damage — from crashes on the nation's roads.

The **Highway Loss Data Institute** shares and supports this mission through scientific studies of insurance data representing the human and economic losses resulting from the ownership and operation of different types of vehicles and by publishing insurance loss results by vehicle make and model.

Both organizations are wholly supported by auto insurers.

Insurance Institute for Highway Safety
Highway Loss Data Institute

General statistics

Crashes took 37,133 lives in the U.S. in 2017.

Yearly snapshot

Yearly snapshot | 2017

A total of 37,133 people died in motor vehicle crashes in 2017. The U.S. Department of Transportation's most recent estimate of the annual economic cost of crashes is $242 billion dollars.[1] Contributing to the death toll are alcohol, speeding, lack of safety belt use and other problematic driver behaviors. Death rates vary by vehicle type, driver age and gender, and other factors.

In 1975, the U.S. Department of Transportation started an annual census of motor vehicle deaths, recording information on crash type, vehicle type, road type, driver characteristics and a variety of other factors. Institute researchers analyze these data each year to quantify the public health problem of motor vehicle deaths.

The following facts are based on analysis of data from the **U.S. Department of Transportation's** Fatality Analysis Reporting System (**FARS**).

Posted December 2018.

Data subsections:

Trends **Age and gender** **Seat belt use** **Speeding** **When they died**

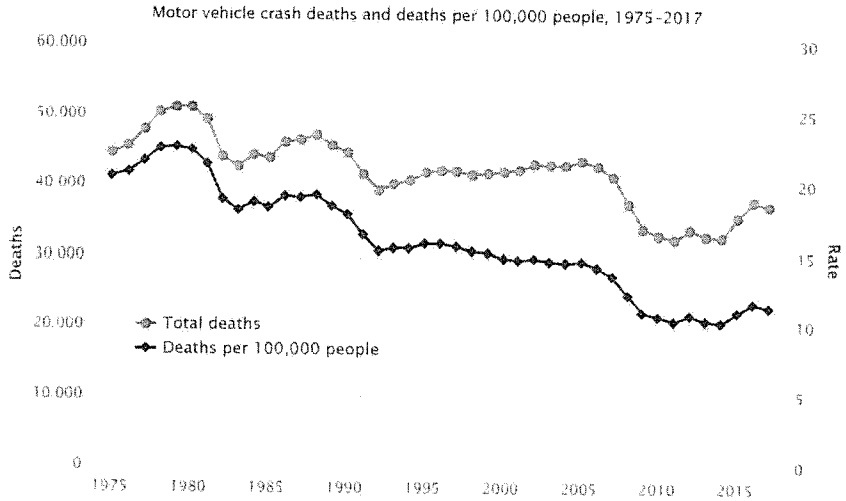
Trends

A total of 37,133 people died in motor vehicle crashes in 2017. These deaths occurred in 34,247 crashes involving 52,645 motor vehicles. This was a 2 percent decrease in deaths compared with 2016.

Number of deaths, crashes and motor vehicles in fatal crashes, 1975-2017

Year	Deaths	Crashes	Motor vehicles
1975	44,525	39,161	55,534
1976	45,523	39,747	56,084
1977	47,878	42,211	60,516
1978	50,331	44,433	64,144
1979	51,093	45,223	64,762
1980	51,091	45,284	63,485
1981	49,301	44,000	62,699
1982	43,945	39,092	56,455
1983	42,589	37,976	55,106
1984	44,257	39,631	57,972
1985	43,825	39,196	58,272
1986	46,087	41,090	60,792
1987	46,390	41,438	61,836
1988	47,087	42,130	62,703
1989	45,582	40,741	60,870
1990	44,599	39,836	59,292
1991	41,508	36,937	54,795
1992	39,250	34,942	52,227
1993	40,150	35,780	53,777
1994	40,716	36,254	54,911
1995	41,817	37,241	56,524
1996	42,065	37,494	57,347
1997	42,013	37,324	57,060
1998	41,501	37,107	56,922
1999	41,717	37,140	56,820
2000	41,945	37,526	57,594
2001	42,196	37,862	57,918
2002	43,005	38,491	58,426
2003	42,884	38,477	58,877
2004	42,836	38,444	58,729
2005	43,510	39,252	59,495
2006	42,708	38,648	58,094
2007	41,259	37,435	56,253
2008	37,423	34,172	50,660
2009	33,883	30,862	45,540
2010	32,999	30,296	44,862
2011	32,479	29,867	44,119
2012	33,782	31,006	45,960
2013	32,894	30,203	45,102
2014	32,744	30,056	44,950
2015	35,485	32,539	49,477
2016	37,806	34,748	52,714
2017	37,133	34,247	52,645

Although the U.S. population has been growing steadily since 1975, the rate of crash deaths per 100,000 population in 2017 is about half of what it was four decades ago. In 2017, the overall per capita death rate decreased 3 percent compared with 2016.



Motor vehicle crash deaths per 100,000 people by type, 1975-2017

Year	Population	Passenger vehicle occupants		Pedestrians		Motorcyclists		Bicyclists		Large truck occupants		All motor vehicle deaths*	
		Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
1975	215,973,199	30,601	14.2	7,516	3.5	3,180	1.5	1,003	0.5	916	0.4	44,525	20.6
1976	218,035,164	31,724	14.5	7,427	3.4	3,306	1.5	914	0.4	1,100	0.5	45,523	20.9
1977	220,239,425	32,823	14.9	7,732	3.5	4,099	1.9	922	0.4	1,229	0.6	47,878	21.7
1978	222,584,545	34,923	15.7	7,795	3.5	4,574	2.1	892	0.4	1,315	0.6	50,331	22.6
1979	225,055,487	35,026	15.6	8,096	3.6	4,892	2.2	932	0.4	1,372	0.6	51,093	22.7
1980	227,224,719	34,996	15.4	8,070	3.6	5,138	2.3	965	0.4	1,183	0.5	51,091	22.5
1981	229,465,608	33,711	14.7	7,837	3.4	4,896	2.1	936	0.4	1,082	0.5	49,301	21.5
1982	231,664,496	29,656	12.8	7,331	3.2	4,449	1.9	864	0.4	917	0.4	43,945	19.0
1983	233,791,903	29,154	12.5	6,826	2.9	4,260	1.8	830	0.4	960	0.4	42,589	18.2
1984	235,824,783	30,094	12.8	7,025	3.0	4,602	2.0	838	0.4	1,040	0.4	44,257	18.8
1985	237,923,732	29,848	12.5	6,808	2.9	4,562	1.9	869	0.4	941	0.4	43,825	18.4
1986	240,132,841	32,224	13.4	6,779	2.8	4,566	1.9	929	0.4	892	0.4	46,087	19.2
1987	242,289,023	33,145	13.7	6,745	2.8	4,034	1.7	940	0.4	821	0.3	46,390	19.1
1988	244,498,836	34,105	13.9	6,870	2.8	3,661	1.5	901	0.4	886	0.4	47,087	19.3
1989	246,819,119	33,599	13.6	6,556	2.7	3,135	1.3	822	0.3	822	0.3	45,582	18.5
1990	249,464,396	32,711	13.1	6,482	2.6	3,243	1.3	853	0.3	684	0.3	44,599	17.9
1991	252,153,092	30,810	12.2	5,801	2.3	2,805	1.1	836	0.3	650	0.3	41,508	16.5
1992	255,029,699	29,457	11.6	5,549	2.2	2,395	0.9	717	0.3	580	0.2	39,250	15.4
1993	257,782,608	29,994	11.6	5,649	2.2	2,445	0.9	806	0.3	590	0.2	40,150	15.6
1994	260,327,021	30,820	11.8	5,489	2.1	2,317	0.9	796	0.3	658	0.3	40,716	15.6
1995	262,803,276	31,914	12.1	5,584	2.1	2,226	0.8	828	0.3	634	0.2	41,817	15.9
1996	265,228,572	32,354	12.2	5,449	2.1	2,161	0.8	761	0.3	602	0.2	42,065	15.9
1997	267,783,607	32,343	12.1	5,321	2.0	2,116	0.8	811	0.3	717	0.3	42,013	15.7
1998	270,248,003	31,781	11.8	5,228	1.9	2,294	0.8	757	0.3	739	0.3	41,501	15.4
1999	272,690,813	32,008	11.7	4,939	1.8	2,483	0.9	750	0.3	747	0.3	41,717	15.3
2000	282,192,162	32,109	11.4	4,763	1.7	2,895	1.0	689	0.2	737	0.3	41,945	14.9
2001	285,102,075	31,938	11.2	4,901	1.7	3,195	1.1	729	0.3	691	0.2	42,196	14.8
2002	287,941,220	32,724	11.4	4,851	1.7	3,267	1.1	663	0.2	675	0.2	43,005	14.9
2003	290,788,976	32,166	11.1	4,774	1.6	3,710	1.3	626	0.2	703	0.2	42,884	14.7
2004	293,655,404	31,750	10.8	4,675	1.6	4,026	1.4	722	0.2	743	0.3	42,836	14.6

*Total includes other and/or unknowns

Motor vehicle crash deaths per 100,000 people by type, 1975-2017

Year	Population	Passenger vehicle occupants		Pedestrians		Motorcyclists		Bicyclists		Large truck occupants		All motor vehicle deaths*	
		Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
2005	296,410,404	31,455	10.6	4,892	1.7	4,575	1.5	784	0.3	758	0.3	43,510	14.7
2006	299,398,484	30,628	10.2	4,795	1.6	4,810	1.6	769	0.3	774	0.3	42,708	14.3
2007	301,621,157	29,155	9.7	4,699	1.6	5,174	1.7	699	0.2	745	0.2	41,259	13.7
2008	304,059,724	25,547	8.4	4,414	1.5	5,307	1.7	716	0.2	615	0.2	37,423	12.3
2009	307,006,550	23,507	7.7	4,109	1.3	4,467	1.5	628	0.2	449	0.1	33,883	11.0
2010	308,745,538	22,351	7.2	4,302	1.4	4,517	1.5	621	0.2	475	0.2	32,999	10.7
2011	311,591,917	21,413	6.9	4,457	1.4	4,630	1.5	680	0.2	555	0.2	32,479	10.4
2012	313,914,040	21,906	7.0	4,818	1.5	4,986	1.6	730	0.2	590	0.2	33,782	10.8
2013	316,128,839	21,361	6.8	4,779	1.5	4,691	1.5	747	0.2	589	0.2	32,894	10.4
2014	318,857,056	21,131	6.6	4,910	1.5	4,302	1.3	723	0.2	585	0.2	32,744	10.3
2015	321,418,820	22,741	7.1	5,495	1.7	5,026	1.6	828	0.3	598	0.2	35,485	11.0
2016	323,405,935	23,957	7.4	6,080	1.9	5,337	1.7	848	0.3	662	0.2	37,806	11.7
2017	325,719,178	23,708	7.3	5,977	1.8	5,172	1.6	777	0.2	683	0.2	37,133	11.4

*Total includes other and/or unknowns

Sixty-four percent of crash fatalities in 2017 were passenger vehicle occupants, 16 percent were pedestrians, 14 percent were motorcyclists, 2 percent were bicyclists, and 2 percent were occupants of large trucks.

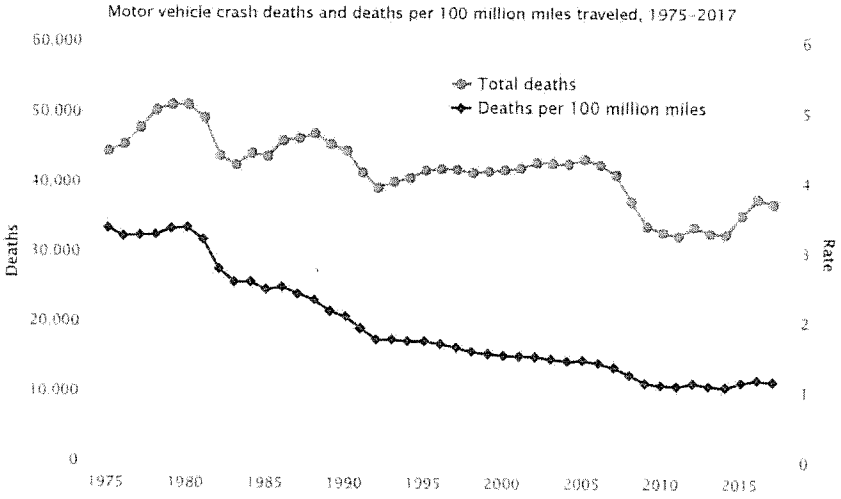
Motor vehicle crash deaths by type, 1975-2017

Year	Passenger vehicle occupants		Pedestrians		Motorcyclists		Bicyclists		Large truck occupants		Other		All motor vehicle deaths
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number
1975	30,601	69	7,516	17	3,180	7	1,003	2	916	2	1,309	3	44,525
1976	31,724	70	7,427	16	3,306	7	914	2	1,100	2	1,052	2	45,523
1977	32,823	69	7,732	16	4,099	9	922	2	1,229	3	1,073	2	47,878
1978	34,923	69	7,795	15	4,574	9	892	2	1,315	3	832	2	50,331
1979	35,026	69	8,096	16	4,892	10	932	2	1,372	3	775	2	51,093
1980	34,996	68	8,070	16	5,138	10	965	2	1,183	2	739	1	51,091
1981	33,711	68	7,837	16	4,896	10	936	2	1,082	2	839	2	49,301
1982	29,656	67	7,331	17	4,449	10	864	2	917	2	728	2	43,945
1983	29,154	68	6,826	16	4,260	10	830	2	960	2	559	1	42,589
1984	30,094	68	7,025	16	4,602	10	838	2	1,040	2	658	1	44,257
1985	29,848	68	6,808	16	4,562	10	869	2	941	2	797	2	43,825
1986	32,224	70	6,779	15	4,566	10	929	2	892	2	697	2	46,087
1987	33,145	71	6,745	15	4,034	9	940	2	821	2	705	2	46,390
1988	34,105	72	6,870	15	3,661	8	901	2	886	2	664	1	47,087
1989	33,599	74	6,556	14	3,135	7	822	2	822	2	648	1	45,582
1990	32,711	73	6,482	15	3,243	7	853	2	684	2	626	1	44,599
1991	30,810	74	5,801	14	2,805	7	836	2	650	2	606	1	41,508
1992	29,457	75	5,549	14	2,395	6	717	2	580	1	552	1	39,250
1993	29,994	75	5,649	14	2,445	6	806	2	590	1	666	2	40,150
1994	30,820	76	5,489	13	2,317	6	796	2	658	2	636	2	40,716
1995	31,914	76	5,584	13	2,226	5	828	2	634	2	631	2	41,817
1996	32,354	77	5,449	13	2,161	5	761	2	602	1	738	2	42,065
1997	32,343	77	5,321	13	2,116	5	811	2	717	2	705	2	42,013
1998	31,781	77	5,228	13	2,294	6	757	2	739	2	702	2	41,501
1999	32,008	77	4,939	12	2,483	6	750	2	747	2	790	2	41,717
2000	32,109	77	4,763	11	2,895	7	689	2	737	2	752	2	41,945
2001	31,938	76	4,901	12	3,195	8	729	2	691	2	742	2	42,196
2002	32,724	76	4,851	11	3,267	8	663	2	675	2	825	2	43,005
2003	32,166	75	4,774	11	3,710	9	626	1	703	2	905	2	42,884
2004	31,750	74	4,675	11	4,026	9	722	2	743	2	920	2	42,836
2005	31,455	72	4,892	11	4,575	11	784	2	758	2	1,046	2	43,510
2006	30,628	72	4,795	11	4,810	11	769	2	774	2	932	2	42,708
2007	29,155	71	4,699	11	5,174	13	699	2	745	2	787	2	41,259

Motor vehicle crash deaths by type, 1975-2017

Year	Passenger vehicle occupants		Pedestrians		Motorcyclists		Bicyclists		Large truck occupants		Other		All motor vehicle deaths
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number
2008	25,547	68	4,414	12	5,307	14	716	2	615	2	824	2	37,423
2009	23,507	69	4,109	12	4,467	13	628	2	449	1	723	2	33,883
2010	22,351	68	4,302	13	4,517	14	621	2	475	1	733	2	32,999
2011	21,413	66	4,457	14	4,630	14	680	2	555	2	744	2	32,479
2012	21,906	65	4,818	14	4,986	15	730	2	590	2	752	2	33,782
2013	21,361	65	4,779	15	4,691	14	747	2	589	2	727	2	32,894
2014	21,131	65	4,910	15	4,302	13	723	2	585	2	1,093	3	32,744
2015	22,741	64	5,495	15	5,026	14	828	2	598	2	797	2	35,485
2016	23,957	63	6,080	16	5,337	14	848	2	662	2	922	2	37,806
2017	23,708	64	5,977	16	5,172	14	777	2	683	2	816	2	37,133

The rate of crash deaths per 100 million miles traveled decreased from 1.19 in 2016 to 1.16 in 2017. This rate is about one-third the all-time high rate of 3.36 in 1980.[2]



Motor vehicle crash deaths per 100 million miles traveled, 1975-2017

Year	Deaths	Miles travelled (millions)	Rate
1975	44,525	1,330,074	3.35
1976	45,523	1,409,163	3.23
1977	47,878	1,476,567	3.24
1978	50,331	1,548,213	3.25
1979	51,093	1,529,133	3.34
1980	51,091	1,520,857	3.36
1981	49,301	1,550,271	3.18
1982	43,945	1,592,481	2.76
1983	42,589	1,649,106	2.58
1984	44,257	1,716,768	2.58
1985	43,825	1,774,762	2.47
1986	46,087	1,838,240	2.51
1987	46,390	1,924,327	2.41
1988	47,087	2,025,586	2.32
1989	45,582	2,107,040	2.16
1990	44,599	2,147,501	2.08
1991	41,508	2,172,214	1.91
1992	39,250	2,239,828	1.75
1993	40,150	2,296,585	1.75
1994	40,716	2,357,588	1.73

Motor vehicle crash deaths per 100 million miles traveled, 1975-2017

Year	Deaths	Miles travelled (millions)	Rate
1995	41,817	2,422,775	1.73
1996	42,065	2,482,202	1.69
1997	42,013	2,560,373	1.64
1998	41,501	2,625,367	1.58
1999	41,717	2,691,335	1.55
2000	41,945	2,749,803	1.53
2001	42,196	2,781,462	1.52
2002	43,005	2,855,756	1.51
2003	42,884	2,890,893	1.48
2004	42,836	2,962,513	1.45
2005	43,510	2,989,807	1.46
2006	42,708	3,014,116	1.42
2007	41,259	3,032,399	1.36
2008	37,423	2,973,509	1.26
2009	33,883	2,977,591	1.14
2010	32,999	2,966,506	1.11
2011	32,479	2,946,131	1.10
2012	33,782	2,969,433	1.14
2013	32,894	2,988,280	1.10
2014	32,744	3,025,656	1.08
2015	35,485	3,095,373	1.15
2016	37,806	3,174,408	1.19
2017	37,133	3,212,347	1.16

Age and gender

At all ages, males had higher per capita crash death rates than females in 2017. Males ages 85 and older and 20-24 had the highest rates of crash deaths, and females ages 12 and younger had the lowest rate.

Motor vehicle crash deaths per 100,000 people by age and gender, 2017

Age	Male			Female			Total*		
	Population	Deaths	Rate	Population	Deaths	Rate	Population	Deaths	Rate
<13	26,944,870	524	1.9	25,794,062	415	1.6	52,738,932	939	1.8
13-15	6,323,120	231	3.7	6,074,060	163	2.7	12,397,180	394	3.2
16-19	8,701,682	1,576	18.1	8,315,418	762	9.2	17,017,100	2,340	13.8
20-24	11,349,142	2,983	26.3	10,769,493	1,088	10.1	22,118,635	4,072	18.4
25-29	11,902,230	2,838	23.8	11,468,230	930	8.1	23,370,460	3,770	16.1
30-34	11,089,131	2,237	20.2	10,883,081	737	6.8	21,972,212	2,975	13.5
35-39	10,615,985	2,000	18.8	10,616,012	669	6.3	21,231,997	2,669	12.6
40-44	9,753,115	1,718	17.6	9,890,258	668	6.8	19,643,373	2,387	12.2
45-49	10,386,175	1,848	17.8	10,587,683	701	6.6	20,973,858	2,551	12.2
50-54	10,520,182	2,050	19.5	10,880,912	722	6.6	21,401,094	2,772	13.0
55-59	10,700,520	2,171	20.3	11,307,436	733	6.5	22,007,956	2,907	13.2
60-64	9,557,283	1,785	18.7	10,430,419	647	6.2	19,987,702	2,434	12.2
65-69	7,929,868	1,237	15.6	8,906,513	573	6.4	16,836,381	1,810	10.8
70-74	5,947,272	974	16.4	6,899,793	490	7.1	12,847,065	1,464	11.4
75-79	3,898,816	811	20.8	4,842,445	510	10.5	8,741,261	1,321	15.1
80-84	2,509,059	640	25.5	3,456,231	400	11.6	5,965,290	1,040	17.4
85+	2,279,669	686	30.1	4,189,013	463	11.1	6,468,682	1,149	17.8
Total*	160,408,119	26,380	16.4	165,311,059	10,697	6.5	325,719,178	37,133	11.4

*Total includes other and/or unknowns

From 1975 to 2017, the rate of deaths per 100,000 people declined by 77 percent for people 12 and younger (from 7.9 to 1.8), 68 percent for teenagers (from 29.4 to 9.3), 46 percent for people ages 20-34 (from 29.6 to 16.0), 30 percent for people ages 35-69 (from 17.5 to 12.3), and 44 percent for people 70 and older (from 25.9 to 14.6).

Motor vehicle crash deaths per 100,000 people by age group, 1975-2017

Year	<13 years			13-19 years			20-34 years			35-69 years			70+ years		
	Population	Number	Rate	Population	Number	Rate	Population	Number	Rate	Population	Number	Rate	Population	Number	Rate
1975	45,851,304	3,643	7.9	29,795,023	8,748	29.4	50,998,098	15,074	29.6	74,764,829	13,080	17.5	14,563,945	3,775	25.9
1976	45,000,704	3,424	7.6	29,909,414	9,356	31.3	52,745,005	15,517	29.4	75,419,921	13,137	17.4	14,960,120	3,896	26.0
1977	44,337,332	3,347	7.5	29,800,313	9,633	32.3	54,497,448	17,287	31.7	76,203,083	13,460	17.7	15,401,249	3,859	25.1
1978	43,907,467	3,367	7.7	29,543,252	9,940	33.6	55,909,063	18,886	33.8	77,348,222	14,020	18.1	15,876,541	3,824	24.1
1979	43,778,959	3,171	7.2	29,077,607	9,920	34.1	57,499,197	19,675	34.2	78,311,107	14,232	18.2	16,388,617	3,772	23.0
1980	43,914,342	3,048	6.9	28,486,487	9,524	33.4	58,814,391	20,110	34.2	79,111,522	14,219	18.0	16,897,977	3,861	22.8
1981	44,049,940	2,733	6.2	27,743,947	8,315	30.0	60,563,416	19,887	32.8	79,785,591	13,950	17.5	17,322,714	3,871	22.3
1982	44,131,596	2,573	5.8	27,160,586	7,323	27.0	61,099,524	17,465	28.6	81,488,902	12,685	15.6	17,783,888	3,655	20.6
1983	44,119,297	2,518	5.7	26,737,497	6,805	25.5	61,840,154	16,853	27.3	82,861,204	12,488	15.1	18,233,751	3,734	20.5
1984	43,978,044	2,422	5.5	26,435,885	6,952	26.3	62,491,255	17,579	28.1	84,256,661	13,006	15.4	18,662,938	4,052	21.7
1985	44,260,136	2,469	5.6	26,001,247	6,737	25.9	62,961,154	17,031	27.1	85,628,410	13,126	15.3	19,072,785	4,206	22.1
1986	44,755,454	2,537	5.7	25,592,481	7,466	29.2	63,115,889	18,132	28.7	87,205,537	13,263	15.2	19,463,480	4,445	22.8
1987	45,348,247	2,654	5.9	25,209,615	7,293	28.9	63,032,298	17,676	28.0	88,808,046	14,074	15.8	19,890,817	4,555	22.9
1988	45,942,966	2,701	5.9	25,004,445	7,242	29.0	62,784,739	17,613	28.1	90,464,406	14,458	16.0	20,302,280	4,925	24.3
1989	46,690,604	2,658	5.7	24,664,300	6,688	27.1	62,494,056	16,512	26.4	92,250,762	14,651	15.9	20,719,397	4,943	23.9
1990	47,472,527	2,332	4.9	24,404,795	6,364	26.1	62,282,683	16,366	26.3	94,140,108	14,568	15.5	21,164,283	4,844	22.9
1991	48,240,747	2,257	4.7	24,066,587	5,760	23.9	62,025,750	14,949	24.1	96,068,111	13,587	14.1	21,751,897	4,843	22.3
1992	48,903,668	2,165	4.4	24,163,175	5,215	21.6	61,427,100	13,445	21.9	98,214,539	13,414	13.7	22,321,217	4,901	22.0
1993	49,335,864	2,164	4.4	24,664,091	5,421	22.0	60,582,332	13,456	22.2	100,399,648	13,748	13.7	22,800,673	5,221	22.9
1994	49,692,462	2,301	4.6	25,219,838	5,632	22.3	59,629,351	13,020	21.8	102,541,525	14,251	13.9	23,243,845	5,425	23.3

Motor vehicle crash deaths per 100,000 people by age group, 1975-2017

Year	<13 years			13-19 years			20-34 years			35-69 years			70+ years		
	Population	Number	Rate	Population	Number	Rate	Population	Number	Rate	Population	Number	Rate	Population	Number	Rate
1995	49,920,484	2,201	4.4	25,764,300	5,675	22.0	58,712,407	13,330	22.7	104,712,328	15,018	14.3	23,693,757	5,509	23.3
1996	50,085,188	2,186	4.4	26,357,198	5,819	22.1	57,753,910	12,869	22.3	106,975,953	15,496	14.5	24,056,323	5,578	23.2
1997	50,364,983	2,108	4.2	26,730,812	5,730	21.4	57,046,569	12,334	21.6	109,232,426	15,860	14.5	24,408,817	5,872	24.1
1998	50,527,476	2,032	4.0	27,174,728	5,610	20.6	56,421,053	11,785	20.9	111,331,195	16,185	14.5	24,793,551	5,798	23.4
1999	50,667,139	1,997	3.9	27,518,156	5,752	20.9	55,961,401	11,840	21.2	113,451,312	16,384	14.4	25,092,805	5,657	22.5
2000	52,219,423	1,888	3.6	28,326,412	5,685	20.1	58,971,709	12,174	20.6	117,114,739	16,700	14.3	25,559,879	5,379	21.0
2001	52,341,395	1,751	3.3	28,437,711	5,594	19.7	59,465,066	12,375	20.8	119,060,436	16,934	14.2	25,797,467	5,425	21.0
2002	52,332,306	1,617	3.1	28,644,313	5,954	20.8	60,046,068	12,609	21.0	120,913,207	17,374	14.4	26,005,326	5,332	20.5
2003	52,187,602	1,643	3.1	29,028,500	5,718	19.7	60,599,350	12,365	20.4	122,772,578	17,705	14.4	26,200,946	5,363	20.5
2004	52,151,406	1,645	3.2	29,400,392	5,645	19.2	61,003,240	12,620	20.7	124,762,848	17,707	14.2	26,337,518	5,106	19.4
2005	52,149,395	1,529	2.9	29,589,854	5,300	17.9	61,180,772	13,023	21.3	126,831,714	18,491	14.6	26,658,669	5,047	18.9
2006	52,306,908	1,430	2.7	29,772,198	5,159	17.3	61,527,219	13,142	21.4	128,907,361	18,233	14.1	26,884,798	4,636	17.2
2007	52,585,809	1,269	2.4	29,775,943	4,981	16.7	61,623,322	12,531	20.3	130,500,566	17,725	13.6	27,135,517	4,631	17.1
2008	52,929,779	1,047	2.0	29,710,307	4,070	13.7	61,990,546	11,406	18.4	131,908,058	16,538	12.5	27,521,034	4,291	15.6
2009	53,753,412	1,066	2.0	29,667,279	3,480	11.7	63,105,881	9,940	15.8	132,693,708	15,340	11.6	27,786,270	3,995	14.4
2010	52,943,218	962	1.8	30,324,338	3,121	10.3	62,649,947	9,684	15.5	134,995,314	15,015	11.1	27,832,721	4,171	15.0
2011	52,950,108	908	1.7	29,895,041	3,033	10.1	63,944,330	9,633	15.1	136,282,085	14,782	10.8	28,520,353	4,071	14.3
2012	52,872,572	958	1.8	29,632,228	2,837	9.6	64,892,524	10,210	15.7	137,348,713	15,614	11.4	29,168,003	4,113	14.1
2013	52,723,720	940	1.8	29,524,367	2,543	8.6	65,640,025	9,908	15.1	138,145,370	15,298	11.1	30,095,357	4,150	13.8
2014	52,666,129	875	1.7	29,469,473	2,630	8.9	66,428,678	9,879	14.9	139,374,831	15,073	10.8	30,917,945	4,206	13.6
2015	52,747,095	946	1.8	29,378,595	2,747	9.4	66,876,515	10,608	15.9	140,723,231	16,677	11.9	31,693,384	4,427	14.0
2016	52,767,670	1,033	2.0	29,359,997	2,837	9.7	67,156,940	11,368	16.9	141,678,551	17,601	12.4	32,442,777	4,848	14.9
2017	52,738,932	939	1.8	29,414,280	2,734	9.3	67,461,307	10,817	16.0	142,082,361	17,530	12.3	34,022,298	4,974	14.6

Seat belt use

According to a national daytime observational survey of motorists, seat belt use among front seat occupants was 89.7 percent in 2017.[3] Unrestrained vehicle occupants are more likely than restrained occupants to be fatally injured in a crash, so belt use is much lower among fatally injured occupants. Among fatally injured passenger vehicle occupants age 13 and older in 2017, 49 percent of drivers and 46 percent of passengers were belted. These rates represent a 48 percent increase and a 59 percent increase, respectively, compared with 1995, when only 33 percent of fatally injured drivers and 29 percent of fatally injured passengers were belted.

Seat belt use among fatally injured passenger vehicle occupants 13 and older by seating position, 1995-2017

Year	Driver						Passenger					
	Belt used		Unbelted		Unknown		Belt used		Unbelted		Unknown	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
1995	6,974	33	12,692	59	1,772	8	2,642	29	5,577	62	791	9
1996	7,368	34	12,331	57	1,919	9	2,750	30	5,706	62	807	9
1997	7,561	35	12,288	57	1,847	9	2,867	31	5,497	60	810	9
1998	7,797	36	12,033	56	1,786	8	2,814	32	5,169	59	725	8
1999	7,834	36	12,252	56	1,793	8	2,748	32	5,249	60	700	8
2000	8,199	38	11,841	54	1,754	8	2,957	33	5,212	58	744	8
2001	8,509	39	11,638	53	1,700	8	2,844	32	5,178	59	737	8
2002	8,786	39	12,028	53	1,705	8	3,151	35	5,093	57	687	8
2003	9,239	42	11,274	51	1,666	8	3,127	36	4,851	55	773	9
2004	9,456	43	11,027	50	1,450	7	3,132	37	4,768	56	622	7
2005	9,315	42	11,133	51	1,489	7	3,122	38	4,551	55	634	8
2006	9,162	42	10,874	50	1,532	7	2,964	38	4,250	54	678	9
2007	8,915	43	10,070	49	1,537	7	2,902	38	4,007	53	681	9
2008	7,794	43	9,160	50	1,301	7	2,536	39	3,495	54	473	7
2009	7,421	44	8,199	49	1,207	7	2,366	40	3,031	52	449	8
2010	7,307	46	7,497	47	1,215	8	2,285	41	2,872	51	457	8
2011	7,047	45	7,356	47	1,147	7	2,055	40	2,650	52	432	8
2012	7,234	45	7,505	47	1,166	7	2,158	41	2,665	50	461	9
2013	7,324	47	6,988	45	1,261	8	2,166	43	2,439	48	471	9
2014	7,410	48	6,906	45	1,170	8	2,182	44	2,309	46	477	10
2015	8,026	48	7,289	44	1,305	8	2,344	44	2,473	46	557	10
2016	8,486	48	7,721	44	1,425	8	2,442	44	2,562	46	514	9
2017	8,601	49	7,564	43	1,478	8	2,430	46	2,311	44	561	11

Speeding

In 2017, speeding was a factor in 26 percent of motor vehicle crash deaths. Speeding has been a factor in more than a quarter of crash deaths since 2008. Speeding is defined to include crashes in which the driver was issued a traffic citation for speeding or in which driver-related factors included driving too fast for conditions, racing or exceeding the posted speed limit.

Motor vehicle crash deaths involving speeding as a contributing factor, 2008-2017

	Speeding-related		Not speeding-related		Total
	Number	%	Number	%	Number
2008	11,767	31	25,656	69	37,423
2009	10,664	31	23,219	69	33,883
2010	10,508	32	22,491	68	32,999
2011	10,001	31	22,478	69	32,479
2012	10,329	31	23,453	69	33,782
2013	9,696	29	23,198	71	32,894
2014	9,283	28	23,461	72	32,744
2015	9,723	27	25,762	73	35,485
2016	10,291	27	27,515	73	37,806
2017	9,717	26	27,416	74	37,133

In 2017, the percentage of crash deaths involving speeding was higher on minor roads (31 percent) than on interstates and freeways (27 percent) or on other major roads (23 percent).

Crash deaths involving speeding as a contributing factor by road type, 2017

	Speeding-related		Not speeding-related		Total
	Number	%	Number	%	Number
Interstates and freeways	1,293	27	3,444	73	4,737
Other major roads	4,417	23	14,626	77	19,043
Minor roads	3,533	31	7,765	69	11,298
All road types*	9,717	26	27,416	74	37,133

*Total includes other and/or unknowns

Of the 9,717 speeding-related fatalities that occurred in 2017, about half (52 percent) occurred on roads with speed limits lower than 55 mph.

Motor vehicle crash deaths involving speeding as a contributing factor by speed limit, 2017

	Speeding-related		Not speeding-related		Total	
	Number	%	Number	%	Number	%
≤35 mph	2,368	24	5,215	19	7,583	20
40-50 mph	2,721	28	7,503	27	10,224	28
55+ mph	4,566	47	14,434	53	19,000	51
Total*	9,717	100	27,416	100	37,133	100

*Total includes other and/or unknowns

When they died

In 2017, February had the fewest crash deaths and July had the most.

Motor vehicle crash deaths by month, 2017

Month	Deaths	%
January	2,834	8
February	2,514	7
March	2,924	8
April	2,963	8
May	3,167	9
June	3,262	9
July	3,514	9
August	3,154	8
September	3,331	9
October	3,322	9
November	3,095	8
December	3,053	8
Total	37,133	100

In 2017, nearly half of crash deaths occurred on Friday, Saturday or Sunday.

Motor vehicle crash deaths by day of week, 2017

Day of week	Deaths	%
Sunday	5,854	16
Monday	4,723	13
Tuesday	4,729	13
Wednesday	4,647	13
Thursday	4,963	13
Friday	5,793	16
Saturday	6,424	17
Total	37,133	100

In 2017, 33 percent of crash deaths occurred between 3 p.m. and 9 p.m.

Motor vehicle crash deaths by time of day, 2017

Time of day	Deaths	%
Midnight - 3 a.m.	4,093	11
3 a.m. - 6 a.m.	3,065	8
6 a.m. - 9 a.m.	3,629	10
9 a.m. - noon	3,432	9
Noon - 3 p.m.	4,939	13
3 p.m. - 6 p.m.	5,957	16
6 p.m. - 9 p.m.	6,263	17
9 p.m. - midnight	5,478	15
Total*	37,133	100

*Total includes other and/or unknowns

During 2013-2017, Independence Day had the highest number of traffic fatalities.

Days of year with most motor vehicle crash deaths, 2013-2017

Date	Total deaths, 2013-2017	Yearly average
July 4	633	127

Days of year with most motor vehicle crash deaths, 2013-2017

Date	Total deaths, 2013-2017	Yearly average
November 1	609	122
August 2	585	117
October 25	585	117
August 30	575	115

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