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## INSURANCE CODE - INS

**DIVISION 1. GENERAL RULES GOVERNING INSURANCE [100 - 1879.8]** ( *Division 1 enacted by Stats. 1935, Ch. 145.*  )

**PART 2. THE BUSINESS OF INSURANCE [680 - 1879.8]** ( *Part 2 enacted by Stats. 1935, Ch. 145.*  )

**CHAPTER 12. The Insurance Frauds Prevention Act [1871 - 1879.8]** ( *Chapter 12 added by Stats. 1989, Ch. 1119, Sec. 3.*  )

**ARTICLE 4.5. Insurer Inspections [1874.85 - 1874.87]** ( *Article 4.5 added by Stats. 2000, Ch. 867, Sec. 18.*  )

**1874.85.** An insurer that issues automobile liability or collision policies shall inspect vehicles for which it has approved a claim for the cost of auto body repairs, either during the repair process or after the work has been completed, and the number of vehicles inspected shall be a statistical sampling sufficient to demonstrate to the department the insurer's efforts to reduce fraudulent auto body work during a calendar year.

(Amended by Stats. 2002, Ch. 664, Sec. 154. Effective January 1, 2003.)

**1874.86.** Each insurer subject to this article shall report, at the request of the commissioner, but not more than annually, to the department on the following:

- (a) The number of vehicles inspected pursuant to Section 1874.85 and the percentage that this number represents of the total number of vehicles for which it paid a claim for the cost of auto body repairs in the prior calendar year.
- (b) The results of the inspections, including the nature of any fraud uncovered, and whether or not legal action was pursued.

The department shall make the information provided pursuant to this section available to the California Highway Patrol and the Bureau of Automotive Repair.

(Amended by Stats. 2010, Ch. 400, Sec. 27. (AB 2782) Effective January 1, 2011.)

**1874.87.** (a) Each insurer subject to this article shall provide each insured with an Auto Body Repair Consumer Bill of Rights either at the time of application for an automobile insurance policy or following an accident that is reported to the insurer. If the insurer provides the insured with an electronic copy of a policy, the bill of rights may also be transmitted electronically.

(b) The bill of rights shall be a standardized form developed by the department with the purpose of presenting easy-to-read facts for auto insurance consumers. The content of the bill of rights shall be determined by the department, and at a minimum, shall contain information about all of the following:

- (1) A consumer's right to select an auto body repair shop for auto body damage covered by the insurance policy and that an insurer may not require this work to be done at a particular auto body repair shop.
- (2) The consumer's right to be informed about auto body repairs made with new original equipment crash parts, new aftermarket crash parts, and used crash parts.
- (3) The consumer's right to be informed about coverage for towing services, and for a replacement rental vehicle while a damaged vehicle is being repaired.
- (4) Toll-free telephone numbers and Internet addresses for reporting suspected fraud or other complaints and concerns about auto body repair shops to the Bureau of Automotive Repair.
- (5) A consumer's right to seek and obtain an independent repair estimate directly from a registered auto body repair shop for repair of a damaged vehicle, even when pursuing an insurance claim for repair of that vehicle.

(c) The department shall consult with the Bureau of Automotive Repair in determining the information to be contained in the bill of rights.

*(Amended by Stats. 2009, Ch. 141, Sec. 1. (AB 1179) Effective January 1, 2010.)*