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OUR JOURNEY CONTINUES: THE LATEST APPRAISAL BILL UPDATE

Dear Mr. McDorman,

Thank you again for your response to my questions about the mandatory appraisal bill process at the Capitol concerning Senate Bill 554, sponsored by Senator Hughes and House Bill 1437, sponsored by Representative Clardy. Can you give me and the readers an update on how these bills are progressing and what you have learned about the process from your many trips to the Capitol?

Thank you for your questions about these bills and what I have learned about this process. Recently, House Bill 1437 was unstuck and referred to Business and Commerce where it will meet its companion, Senate Bill 554. It is my understanding that if there is no further headwind from aggressive parties opposing the insureds' mandatory Right to Appraisal, there is supposed to be a hearing in Business and Commerce seeking a vote to move the bills to the Senate floor for a hearing and vote. I hope lawmakers have taken note and paid close attention to how important this issue is for us all.

Here is what I have learned about this process over the last five years. First off, what was taught about democracy in high school government class *does not apply here*. As an example, when I asked lawmakers why the bill took so long to be set for a hearing in Business and Commerce, I was told that a member was asked to sit on the bill as long as she possibly could by a lobbyist who opposed the bills. When asked how this was possible, I was told this process is called "**Dark Art at the Capitol.**" Additionally, I have learned why one lawmaker votes yes to a bill in one committee and no in another. At the end of this legislative session, I look forward to answering reader questions about the outcome and what I learned about the process and who participated in the outcome in more depth. Please stay tuned.

This all may seem to be a repeat from prior reader responses; however, if you are reading this for the first time, my repeat of the message worked. I cannot emphatically stress enough how important this sensitive issue of the Right to Appraisal is for us *all*. My hope of continuing to repeat my message is to reach as many individuals as I can and draw awareness to this issue. When a dispute arises between the insurer, the policyholder and the repair professional, the Right to Appraisal is the proper relief to see to it that the vehicle is returned safely and properly back to its pre-loss condition to the best of one's human ability. The Fair Appraisal Bill – Senate Bill 554 and House Bill 1437 – requires insurers to

include the Appraisal Clause in all auto policies, both for total loss and repair claims. *The limiting or removal of the Right to Appraisal in motor vehicle auto policies would be the nail in the coffin for safe roadways for us all.*

As I have repeatedly stated in my writings and testimony, it is my emphatic position that the Right to Appraisal is the guardrail for indemnification. Without this critical loss dispute resolution process becoming mandatory in the insurance code, the insurance carriers and their defense team will be like beavers to running water to reduce or remove this contractual economic relief for the insured which they have already attempted doing and succeeded doing in one carrier's auto policy.

The spirit of the Appraisal Clause is to resolve loss disputes fairly and to do so in a timely and cost-effective manner. The invoking of the Appraisal Clause removes inexperienced and biased carrier appraisers and claims handlers from the process, undermining their management's many tricks to undervalue the loss settlement and under-indemnify the insured. Through the Appraisal Clause, loss disputes can be resolved relatively quickly, economically, equitably and amicably by unbiased experienced independent third-party appraisers as opposed to more costly and time-consuming methods such as mediation, arbitration and litigation.

In today's world regarding motor vehicle insurance policies, frequent changes in claim management and claim handling policies, and non-standardized GAP Addendums, we have found it is always in the best interest of the insured or claimant to have their proposed insurance settlement reviewed by an expert before accepting. There is never an upfront fee for Auto Claim Specialists to review a motor vehicle claim or proposed settlement and give their professional opinion as to the fairness of the offer.

Please call me should you have any questions relating to the policy or covered loss. We have most insurance policies in our library. Always keep in mind a safe repair is a quality repair and quality equates to value. I thank you for your question and look forward to any follow-up questions that may arise.



Robert is a recognized Public Insurance Adjuster and Certified Vehicle Value Expert specializing in motor vehicle-related insurance claim resolution. Robert can be reached at (800) 736-6816, (817) 756-5482 or via email at AskTheExpert@autoclaimspecialists.com.

Sincerely,
Robert L. McDorman
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