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TEXAS

AUTOMOTIVE



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Marching Forward:

Right to Appraisal Bill Moves Ahead

ABAT's Albert Salinas Gears Up

FOR RETIREMENT

Annual Dean Griffin

SKEET SHOOT HIGHLIGHTS

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TEXAS GETS CLOSER TO MANDATORY RIGHT TO APPRAISAL

Dear Mr. McDorman,

I own and operate a collision facility in Southeast Texas. I have been following the editorials on the Texas appraisal bill and appreciate everyone's hard work on this important issue. Our clients really need this bill to be signed into law. Can you please provide an update? I am sure a lot of readers are on the edge of their seats like me. Besides updating where we are at in the process, how do you feel things are going?

Thank you so much for keeping up with the journey for mandatory appraisal rights in Texas for all motor vehicle policies. On April 23, I was at the Capitol in Austin to testify before the House Insurance Committee. The hearing went very well, and no one opposed the substitute SB 458 Mandatory Appraisal Bill. It is my understanding SB 458 will be voted on next week. I believe there will be a favorable vote to move the bill forward.

On Thursday, March 27, I was asked to attend the Senate Business & Commerce hearing on the Mandatory Appraisal Bill SB 458. As in the April 23 hearing, all testifying principles agreed to the bill and commended Senator Schwertner for bringing all the principles to the table to agree on this necessary and critical bill. Days later, SB 458 had a unanimous vote to move the bill forward.

Today, as I answer your question about our status on mandatory appraisal rights in Texas, I feel better about the mandatory appraisal bill getting to the Governor's desk than ever before. I, along with many other individuals, have spent many hours over the last eight years educating law makers, lobbyists and interested parties about why mandatory appraisal rights are best for all parties on motor vehicle claims in Texas. I can clearly see that our hard work has paid off by the interest and questions I receive from lawmakers, lobbyists and interested parties. We should always keep at the front of our thoughts the maxim that "safe repairs save lives."

ABAT lobbyist Jacob Smith has done a wonderful job working with lawmakers and lobbyists over the years to get us where we are today. Our lobbyist at Auto Claim Specialists, Andrew "Drew" Graham, has also done an amazing job educating and working with lawmakers and other lobbyists on the importance of mandatory appraisal rights in motor vehicle policies in Texas. I cannot say enough good things about these two men and their desire to help the insured citizens of our great state guarantee and secure their critical contractual Right to Appraisal. I love them both and commend their dogged determination to watch over and protect the insured Texans' interest relating to a covered loss.

The under-indemnification in repair procedure claims in Texas is rampant. Most of the estimates and supplements we see for repair

claims have many overlooked (by design) safety and OEM-required operations needed to restore the loss vehicle to its pre-loss condition to the best of one's human ability. Limiting or removing the insured's right to appraise a repair procedure is a serious safety issue. Limiting or eliminating the Right to Appraisal by the insurance carrier in a repair procedure dispute will be the nail in the coffin for safe roadways in Texas.

Our position at Auto Claim Specialists is that the Right to Appraisal should be a mandatory contractual right in every policy. We, the insureds, are many, and I am confident that if we join forces and all do what we can, we can be successful in securing our rights and our children's rights to contest insurance settlement offers that would result in underpayment of losses and/or shoddy and dangerous repairs.

The spirit of the Appraisal Clause is to resolve loss disputes fairly and to do so in a timely and cost-effective manner. Invoking 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 remember that 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 by phone at (800) 736-6816, (817) 756-5482 or via email at AskTheExpert@autoclaimspecialists.com.

Sincerely,
Robert L. McDorman
TXA