



## **Federal News**

- The U.S. House Appropriations Committee's Subcommittee on Financial Services advanced its <u>Fiscal Year 2026</u> <u>Financial Services Appropriations bill</u>. Among many other provisions, the bill would eliminate the Federal Insurance Office's (FIO) subpoena authorities. Currently, FIO can force parties to provide certain information related to insurance industry practices. ASA opposes legislative provisions that would weaken or eliminate FIO.
- U.S. Senators Amy Klobuchar (D-MN) and Bernie Moreno (R-OH) introduced <u>S. 2238</u>, or the <u>PART (Preventing Auto Recycling Theft) Act</u>. This bill would create a \$7 million grant program for certain entities, including automotive repair shops and service centers, to conduct die or pin stamping of an identification number on catalytic converters.
- The U.S. Senate Appropriations Committee advanced <u>S. 2587</u>, the <u>Departments of Labor</u>, <u>Health and Human Services</u>, <u>Education</u>, <u>and Related Agencies Appropriations Act</u> for fiscal year 2026 on a 25-3 vote. Among many other provisions, the bill includes \$350,000 for the College of Dupage, IL for improving electric vehicle education and training, including the purchase of equipment. U.S. Senator Tammy Duckworth (D-IL) requested this funding.

## **State News**

- **California** AB 272 advanced in the Senate Transportation Committee on a 15-0 vote. This bill would require the State Air Resources Board to submit its first report on the effectiveness (enforcement, operational downtime, and an estimate of emissions reduced and cost-effectiveness) of its non-gasoline heavy-duty emissions inspection program by December 31, 2026.
- California AB 987 advanced on a 13-0 vote in the Senate Judiciary Committee after having passed 14-0 in the Senate Transportation Committee and 75-0 on the floor of the full State Assembly. The most recent version of the bill would allow insurers to waive responsibility for "unreasonable" storage fees, which the bill defines as including administrative or filing fees, security fees, dolly fees, pull-out fees, gate fees (except when the owners requests the vehicle be released outside of normal business hours), and storage fees charged for state holidays that exceed the posted standard daily storage rate. Previous versions of AB 987 also defined "unreasonable" to include non-hourly storage fees for vehicles stored fewer than 24 hours, storage fees for vehicles in emergency situations where the owner or insurer was not at fault, and storage fees assessed on days the facility is not open. The bill's author removed these provisions from the definition after receiving feedback from industry stakeholders.
- **Colorado** HB 1118 failed to pass before the legislative session ended, despite it having passed out of committee on a 12-1 vote. The bill would have allowed repairers to install catalytic converters that comply with federal law but conflict with stricter state law if the previous catalytic converter was stolen or mechanically failed. Prior to repairing or replacing a converter, repairers would have had to inform the customer about state programs to replace ICE vehicles with zero-emission alternatives, such as the Vehicle Exchange Colorado program.
- Colorado SB 321 was signed into law by Governor Jared Polis (D). The new law allows repeals the limits on how long the state's contracts with inspection stations can run. It also raises the maximum that inspection stations can charge for inspecting vehicles model year 1981 or older from \$15 to \$30 and from \$25 to \$50 for most other inspections. Additionally, it creates a \$1 million Motor Vehicle Emissions Assistance Fund, which the state can use to fund grants that cover emissions related repairs needed to pass an emissions inspection, on the condition that the repairs be conducted by a licensed automotive repair business and technician.
- **Maine** SP 498 was signed by Governor Janet Mills (D). This new law requires the state to create a "Nonconforming Vehicle Working Group" to study the feasibility of allowing vehicles currently prohibited from operating on roads in the state to register and operate. These vehicles include mini trucks, vehicles under 10,000 lbs. currently operated by a class C license holder, and antique military vehicles. The study group will also examine the laws currently in place for antique vehicles. The group will consist of 7 members, one of which will be a representative of a vehicle inspection business, and







another will be a representative of an insurance company. The working group must consider how to implement an inspection system for nonconforming vehicles to ensure vehicle safety and consider how it may be similar or different from the current vehicle safety inspection program.

- **New Hampshire** SB 157 was signed into law by Governor Ayotte (R). It exempts rental vehicles, purchased a year within or during the vehicle's model year, from the annual safety inspection for two years after the vehicle's initial inspection that occurred upon purchase.
- **New Jersey** A. 5919 would allow autonomous vehicles to be tested on roads in the state.
- **Ohio** HB 389 was introduced by State Representative Joe Miller (D). It would eliminate the additional \$100 registration fee for hybrid vehicles, which the bill defines as vehicles that are powered by an internal propulsion system consisting of a combustion engine and a battery system that cannot be recharged via an external source of electricity but can be recharged by other vehicle mechanisms that capture and store electric energy. Plug-in hybrid vehicles do not fit this criteria, and they would still be subject to an additional \$150 registration fee. Battery electric vehicles would also remain subject to an additional \$200 registration fee.
- **Pennsylvania** HB 649 would give vehicle owners 15 days to repair a vehicle that a police officer deems to be in an unsafe operating condition. Under current law, vehicle owners must complete the repairs within 5 days. It passed 26-0 in the House Transportation Committee.
- **Pennsylvania** SB 185 would allow the use of aftermarket brake light strips, specifically ornamental lamp bar or auxiliary lighting strip in combination, on vehicles driven on Pennsylvania roadways if they are synchronized with the stop lamps of the vehicle's rear lighting systems and meet other conditions. Most recently, it passed 26-0 in the House Transportation Committee after passing 48-1 in the full Senate.
- **Rhode Island** <u>H. 6053</u> became law without Governor McKee's (D) signature. It makes it an unfair claims practice for an insurer to force a policyholder to accept a total loss settlement if the cost to rebuild or reconstruct the motor vehicle to its pre-accident condition is less than 80% of the fair market value of the motor vehicle immediately preceding the time it was damaged. Previously, that threshold was 75%. It also requires an insurer to compensate an autobody repairer for procedures recommended by the OEM or collision repair industry programs such as ALLDATA, RepairLogic or CCC Repair Methods.
- **Rhode Island** <u>H. 5833</u> was signed into law by Governor McKee (D). The original version of the bill would have allowed for the licensure and operation of cosmetology and barber services from a mobile vehicle, and that vehicle would have to comply with the state's vehicle safety inspection requirements. The amended version of the bill ultimately signed into law removes all references to such services performed in a motor vehicle.
- **Texas** HB 722 failed to pass in the state legislature before the end of the legislative session. As originally written, the bill would have required insurers to give policyholders—if requested by the policyholder—a written explanation of any procedures, formulas, calculations, or other methods used by its appraisers to determine the amount of loss, including the cost of observed or predicted repairs and the salvage value of the vehicle. It was amended to only require insurers to provide "an explanation of materials" used to determine the amount of loss, and this right would only apply to total loss determinations. It passed 118-22 in the state house before dying in the senate.

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