
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 780

Session of
1971

INTRODUCED BY TILGHMAN, HANKINS, STAPLETON, ROVNER, HOWARD,
HOBBS AND CIANFRANI, JUNE 1, 1971

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
NOVEMBER 14, 1972

AN ACT

1 Concerning motor vehicle physical damage appraisers; providing
2 for the licensing of persons engaged in appraising physical
3 damages to motor vehicles; fixing fees and prescribing
4 unlawful acts and penalties.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short Title.--This act shall be known and may be
8 cited as the "Motor Vehicle Physical Damage Appraiser Act."

9 Section 2. Definitions.--As used in this act:

10 (1) "Appraiser" means a motor vehicle physical damage
11 appraiser. This shall include all persons in this State who
12 practice the appraisal of motor vehicle physical damage.

13 (2) "Commissioner" means the Insurance Commissioner of the
14 Commonwealth of Pennsylvania.

15 (3) "Insurer" includes all companies, associations and
16 exchanges engaged in the insurance business of insurance and
17 self-insurers.

1 Section 3. Licenses; Examination; Fees.--(a) No person shall
2 directly or indirectly act or hold himself out as an appraiser
3 unless such person has first secured a license from the
4 commissioner in accordance with the provisions of this act.

5 (b) Except as otherwise provided in section 8 of this act,
6 no person shall be granted an appraiser's license unless he
7 shall first establish his qualifications therefor and shall take
8 and pass an examination for appraisers.

9 An applicant for such examination shall be at least eighteen
10 years of age; shall be a resident of the Commonwealth of
11 Pennsylvania, or a resident of any other state or country which
12 permits residents of this Commonwealth to act as appraisers in
13 such other state or country; shall be trustworthy; and shall
14 otherwise establish to the satisfaction of the commissioner that
15 he has had experience or special education or training with
16 reference to the business of the appraising of physical damages
17 to motor vehicles of sufficient duration and extent reasonably
18 NECESSARY to make him competent to fulfill the responsibilities ←
19 of an appraiser.

20 Applications for an examination as appraiser shall be made to
21 the commissioner upon forms prescribed and furnished by him and
22 shall be accompanied by the proper fee. Applicants shall provide
23 the commissioner with such information concerning his identity
24 and personal history, and such other information as shall be
25 necessary to establish his qualifications to take the
26 examination.

27 (c) The commissioner shall prepare and make available to
28 applicants a manual or instructions setting forth in general
29 terms the subject matter to be covered in the examinations.

30 (d) The examination for licensure which shall be given under

1 the supervision of the commissioner shall consist of a written
2 examination that shall include the act of appraising one or more
3 damaged motor vehicles and shall be supplemented by an oral
4 examination. AT THE DISCRETION OF THE COMMISSIONER AN ORAL ←
5 EXAMINATION IN LIEU OF THE AFORESAID WRITTEN EXAMINATION MAY BE
6 GIVEN BUT ONLY FOR REASON OF AN APPLICANT'S PHYSICAL HANDICAP.
7 AN ORAL EXAMINATION SHALL INCLUDE THE ACT OF APPRAISING ONE OR
8 MORE DAMAGED MOTOR VEHICLES. They shall be given at reasonable
9 times and places within the Commonwealth. Any applicant who
10 fails to pass such examination shall not be eligible to retake
11 an examination for thirty days from the date of such failure.

12 (e) The fee to be paid to the commissioner by an applicant
13 for an appraiser's license shall be ten dollars (\$10) at the
14 time the application is made and ten dollars (\$10) annually for
15 the renewal thereof. In the event of failure to pass the
16 examination, the fee of ten dollars (\$10) shall not be
17 returnable.

18 (f) The commissioner shall prescribe the form of the
19 appraiser's license and it shall contain:

- 20 (1) The name of the appraiser.
- 21 (2) The address of the appraiser's place of business.
- 22 (3) Date of issuance and expiration date of license.
- 23 (4) Any other information which the commissioner determines
24 is necessary.

25 (g) The commissioner shall issue an appraiser's license to
26 every person who applies therefor, pays the proper fee, passes
27 the required examinations and otherwise is found by the
28 commissioner to possess the necessary qualifications for
29 licensure under this act.

30 Section 4. Expiration; Renewal of Licenses.--(a) An

1 appraiser's license shall expire ~~on the first day of January~~ <—
2 ANNUALLY AT MIDNIGHT OF JUNE THIRTIETH next following the date <—
3 of issuance.

4 (b) Subject to the right of the commissioner to suspend,
5 revoke, or refuse to renew an appraiser's license, any such
6 license may be renewed for another ~~like period~~ ANNUAL PERIOD <—
7 COMMENCING THE FIRST DAY OF JULY AND EXPIRING AT MIDNIGHT OF
8 JUNE THIRTIETH NEXT FOLLOWING by filing with the commissioner on
9 or before the expiration date a written request, by or on behalf
10 of the licensee, for such renewal, accompanied by payment of the
11 renewal fee.

12 (c) If the request and fee for renewal of license is filed
13 with the commissioner prior to the expiration of the existing
14 license, the licensee may continue to act under such license,
15 unless sooner revoked or suspended, until the issuance of
16 renewal license or until the expiration of five days after the
17 commissioner has refused to renew the license and has mailed
18 notice of such refusal to the licensee. Any request for renewal
19 not so filed until after date of expiration may be considered by
20 the commissioner as an application for a new license.

21 ~~Section 5. Procedure for Refusal; Suspension or Revocation~~ <—
22 ~~of License. (a) The commissioner shall revoke or refuse to~~
23 ~~renew any such license of an appraiser immediately and without~~
24 ~~hearing upon conviction of the licensee of a felony by final~~
25 ~~judgment of any court of competent jurisdiction.~~

26 ~~(1) By order given to the licensee not less than fifteen~~
27 ~~days prior to the effective date thereof, subject to the right~~
28 ~~of the licensee to a hearing before the commissioner, and~~
29 ~~pending such hearing the license shall be suspended; or~~

30 ~~(2) By an order on hearing effective as of ten days after~~

1 ~~date of the giving of the order subject to the right of appeal.~~

2 **(b)** SECTION 5. SUSPENSION PERIOD; SURRENDER OF LICENSE AND <—
3 REINSTATEMENT OR RELICENSING OF LICENSEE.--Every order
4 suspending any such license shall specify the period during
5 which suspension will be effective, which shall in no event
6 exceed twelve months.

7 The holder of any license which has been revoked or suspended
8 shall surrender the license ~~certificate~~ to the commissioner at <—
9 his request.

10 **(c)** The commissioner shall not reinstate the license or <—
11 relicense any licensee or former licensee whose license has been
12 suspended, revoked or renewal refused while the cause for the
13 suspension, revocation or refusal of such license persists.

14 Section 6. Denial, Suspension, Revocation of OR REFUSAL TO <—
15 RENEW License.--The commissioner may DENY INITIAL ISSUANCE OF, <—
16 suspend, revoke, or refuse to renew any appraiser's license for
17 any cause specified in any other provision of this act, or for
18 any of the following causes:

19 (1) For any cause for which issuance of the license could
20 have been refused had it been existent and been known to the
21 commissioner.

22 ~~(2) If the licensee wilfully violates or knowingly <—
23 participates in the violation of any provision of this act.~~

24 (2) IF THE LICENSEE WILFULLY VIOLATES OR FAILS TO COMPLY <—
25 WITH OR KNOWINGLY PARTICIPATES IN THE VIOLATION OF OR FAILURE TO
26 COMPLY WITH ANY PROVISION OF THIS ACT OR ANY RULE OR REGULATION
27 PROMULGATED THEREUNDER.

28 (3) If the licensee has obtained or attempted to obtain any
29 such license through wilful misrepresentation or fraud, or has
30 failed to pass any examination required under this act.

1 (4) If the licensee has, with intent to deceive, materially
2 misrepresented the terms or effect of any insurance contract; or
3 has engaged or is about to engage in any fraudulent transaction.

4 (5) If the licensee has been convicted, by final judgment,
5 of a felony.

6 (6) If in the conduct of his affairs under the license, the
7 licensee has shown himself to be, and is so deemed by the
8 commissioner, incompetent, or untrustworthy, or a source of
9 injury and loss to the public.

10 Section 7. Notice; Hearing; Appeals.--Except as otherwise
11 herein provided all actions of the commissioner shall be taken
12 subject to the right of notice, hearing and adjudication, and
13 the right to appeal therefrom as provided by law.

14 Section 8. License Without Examination; Application.--Upon
15 the payment of a fee of ten dollars (\$10) any person who has
16 been employed or engaged for a period of not less than two years
17 prior to the submission of such application in the appraising of
18 physical damages to motor vehicles and is currently so engaged
19 shall be licensed without examination as an appraiser if the
20 application is made on or before ~~January~~ JULY 1, 1973 and the ←
21 applicant possesses the qualifications required of applicants as
22 provided in section 3 of this act.

23 Section 9. Penalties.--Any person who violates any of the
24 provisions of this act is guilty of a misdemeanor and upon
25 conviction thereof, for each offense, shall be sentenced to pay
26 a fine not exceeding five hundred dollars (\$500), or to undergo
27 imprisonment not exceeding one year, or both.

28 Section 10. Rules and Regulations.--~~(a)~~ The Insurance ←
29 Commissioner is hereby charged with the administration and
30 enforcement of this act and shall prescribe, adopt and

1 promulgate rules and regulations ~~in connection therewith.~~ IN <—
2 CONNECTION THEREWITH.

3 ~~(b) THAT HE DEEMS NECESSARY AND PROPER AND FOR PUBLIC <—~~
4 ~~CONVENIENCE AND NECESSITY AND IN THE PUBLIC INTEREST.~~

5 SECTION 11. COMPLIANCE WITH ACT.--(A) Each appraiser, while
6 engaged in appraisal duties, shall carry the license issued to
7 him by the Insurance Department and shall display it, upon
8 request, to an owner whose vehicle is being inspected, to the
9 repair shop representative involved or to any authorized
10 representative of the Insurance Department.

11 ~~(c)~~ (B) The appraiser shall ~~exchange~~ LEAVE a legible copy of <—
12 his appraisal with that of the repair shop selected BY THE <—
13 CONSUMER to make the repairs and also furnish a copy to the
14 owner of the vehicle. This appraisal shall contain the name of
15 the insurance company ordering it, if any, the insurance file
16 number, the number of the appraiser's license and the proper
17 identification number of the vehicle being inspected. All
18 unrelated or old damage should be clearly indicated on the
19 appraisal which shall include an itemized listing of all
20 damages, specifying those parts to be replaced or repaired.
21 Because an appraiser is charged with a high degree of regard for
22 the public safety, the operational safety of the vehicle shall
23 be paramount in considering the specification of new parts. This
24 consideration is vitally important where the parts involved
25 pertain to the drive train, steering gear, suspension units,
26 brake system or tires.

27 ~~(d)~~ (C) No appraiser shall secure or use repair estimates <—
28 that have been obtained by the use of photographs, telephone
29 calls or in any manner other than a personal inspection.

30 ~~(e)~~ (D) No appraiser or his employer shall require that <—

1 repairs be made in a ANY specified repair shop. <—

2 ~~(f)~~ (E) Every appraiser shall promptly reinspect damaged <—
3 vehicles prior to the repairs in question when supplementary
4 allowances are requested by repair shops and the amount or
5 extent of damages is in dispute.

6 ~~(g)~~ (F) Every appraiser shall: <—

7 (1) Conduct himself in such a manner as to inspire public
8 confidence by fair and honorable dealings.

9 (2) Approach the appraisal of damaged property without
10 prejudice against, or favoritism toward, any party involved in
11 order to make fair and impartial appraisals.

12 (3) Disregard any efforts on the part of others to influence
13 his judgement in the interest of the parties involved.

14 (4) Prepare an independent appraisal of damage.

15 (5) Inspect a vehicle within six working days of assignment
16 to the appraiser unless intervening circumstances (i.e.
17 catastrophe, death, failure of the parties to cooperate) render
18 such inspection impossible.

19 ~~(h)~~ (G) No appraiser shall: <—

20 (1) Receive directly or indirectly any gratuity or other
21 consideration in connection with his appraisal services from any
22 person except his employer or, if self-employed, his customer.

23 (2) Traffic in automobile salvage if such salvage is
24 obtained in any way as a result of appraisal services rendered
25 by him for his own benefit.

26 ~~(H) BY RULE OR REGULATION THE COMMISSIONER MAY REQUIRE OTHER <—
27 REASONABLE STANDARDS OF CONDUCT OR THE PROHIBITION OF
28 DETRIMENTAL CONDUCT WHICH HE DEEMS NECESSARY AND PROPER AND FOR
29 PUBLIC CONVENIENCE AND NECESSITY AND IN THE PUBLIC INTEREST TO
30 INSURE COMPLIANCE WITH THIS ACT.~~

1 Section ~~11~~. 12. Legislative Intent.--It is not contemplated <—
2 that this act shall apply where no appraisal has been assigned.
3 Recognition is given to the fact that many minor damage claims
4 do not require a formal appraisal and to require such would be
5 an undue burden upon the parties involved.

6 SECTION 13. SEVERABILITY.--IF ANY SECTION, SUBSECTION, <—
7 SUBDIVISION, PARAGRAPH, SENTENCE OR CLAUSE OF THIS ACT IS HELD
8 INVALID OR UNCONSTITUTIONAL, SUCH DECISION SHALL NOT AFFECT THE
9 REMAINING PORTIONS OF THIS ACT AND TO THIS END THE PROVISIONS OF
10 THIS ACT ARE DECLARED TO BE SEVERABLE.

11 Section ~~12~~. 14. Effective Date.--This act shall take effect <—
12 January 1, 1973.