

1 H.876

2 Introduced by Representatives Christie of Hartford, Fegard of Berkshire,
3 Jerome of Brandon, Lanpher of Vergennes, Morris of
4 Springfield, Townsend of South Burlington, Walz of Barre
5 City, White of Hartford, and Yantachka of Charlotte

6 Referred to Committee on

7 Date:

8 Subject: Insurance; motor vehicle; total loss threshold

9 Statement of purpose of bill as introduced: This bill proposes to replace
10 Vermont's motor vehicle total loss formula with a 65 percent threshold.

11 An act relating to Vermont's motor vehicle total loss threshold

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 8 V.S.A. § 4212 is added to read:

14 § 4212. MOTOR VEHICLE TOTAL LOSS THRESHOLD

15 For purposes of a property damage liability or physical damage claim, a
16 motor vehicle shall be considered a total loss vehicle if it is either an
17 unrecovered stolen vehicle or if it is a damaged vehicle that is determined to be
18 physically or economically impractical to repair in connection with an
19 insurance claim settlement; or for which the cost of repairing the vehicle is
20 65 percent or more of its fair market value prior to the vehicle being damaged,

1 if the damage occurs during its model year or the four subsequent calendar
2 years. The total cost of repairing the vehicle shall not include the cost of
3 repairing, replacing, or reinstalling inflatable safety restraints, tires, or
4 entertainment systems.

5 Sec. 2. EFFECTIVE DATE; APPLICATION

6 This act shall take effect on July 1, 2020 and shall apply to all insurance
7 policies offered, issued, or renewed on or after September 1, 2020.