

# Concise Explanatory Statement

## Rhode Island Government Register

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In accordance with the Administrative Procedures Act, R.I. Gen. Laws § 42-35-2.6, following is a concise explanatory statement:

**AGENCY:** Rhode Island Department of Business Regulation (“Department”)

**DIVISION:** **Commercial Licensing**

**RULE IDENTIFIER:** 230-RICR-30-05-2

**REGULATION TITLE:** Motor Vehicle Body and Salvage Vehicle Repair

**RULEMAKING ACTION:** Direct Final Amendment

**COMMENT PERIOD:** April 4, 2022, to May 4, 2022

**REASON FOR RULEMAKING:**

This regulation addresses the requirements for licensure of individuals and businesses performing motor vehicle body repair and salvage repair work. Several sections needed modernization and updating. It was necessary to add language addressing businesses operating paintless dent repair (“PDR”) facilities and businesses that desired to only repair motorcycles. The section addressing insurance requested re-inspection of vehicles after repair also needed amending to align procedures with modern business and industry practices. Changes were also instituted to the timeline for prohibition on use of aftermarket parts in accordance with changes in the law. Additionally, several changes minor edits were made to grammar for the licensee’s ease of use and to citations in accordance with RICR styles.

**CHANGES TO TEXT OF THE RULE:**

No comments were received. Therefore, the final rule is the same as what was proposed.

**REGULATORY ANALYSIS:**

No new costs are imposed by this regulation because PDR work is auto body work and such businesses have been required to be licensed by R.I. Gen. Laws Chapter 5-38. The auto body license fee is set by statute (R.I. Gen. Laws § 5-38-8), therefore, the PDR special use license will have the same \$300 fee per year as all other auto body licenses. The Motorcycle only license is an option DBR has offered before but is rarely utilized. In response to some questions from an applicant, we added motorcycle only provisions to the regulation for clarity and transparency.

These amendments benefit existing licensees by: codifying requirements for special use licenses for motorcycle only and paintless dent repair and tailoring the license requirements to the needs of those businesses; updating language and grammar to add clarity for all applicants and licensees; making changes to reinspection and technician certification requirements that reflect current business practices; and tailoring a license to PDR businesses, which removes the inapplicable requirements from the full collision repair licenses. Note that the specific

requirements for technician certification, vehicle registration and insurance are in the interest of consumer protection and are not overly burdensome. Notably, the liability insurance minimum requirements for PDR are less than those for a full collision licensee.

The amendments to §§ 2.4, 2.5, 2.8 & 2.9 will reduce the burden of technician certifications, and reduces the requirements that are inapplicable to some limited licenses.

In the development of the proposed amendment consideration was given to: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business. No alternative approach, duplication, or overlap was identified based upon available information.