

TITLE 230 – DEPARTMENT OF BUSINESS REGULATION

CHAPTER 30 – COMMERCIAL LICENSING

SUBCHAPTER 05 – AUTO BODY

PART 2 – Motor Vehicle Body and Salvage Vehicle Repair

2.1 Authority

This Regulation (the "Regulation") is promulgated pursuant to the authority granted in R.I. Gen. Laws § 5-38-1 *et seq.*, specifically §§ 5-38-2, 5-38-5, 5-38-7, and § 31-46-7.

2.2 Purpose

The purpose of this Regulation is to establish standards and procedures for the issuance of Motor Vehicle Body Licenses for Motor Vehicle Body Work and Salvage Vehicle Repair Licenses for the Business of Salvage Vehicle Repairing to generally assist the Department in carrying out the administration and enforcement of the terms and provisions of the Acts so that the public interest may be effectively served.

2.3 Definitions

A. When used in this Regulation, the following words, except as otherwise required by the context, shall have the following meaning:

1. "Acts" means R.I. Gen. Laws § 5-38-1 *et seq.*, as amended, and § 31-46-1 *et seq.*, as amended.
2. "Applicant" means a Person filing an application for a License under this Regulation.
3. "Automobile body shop" is as defined in R.I. Gen. Laws § 5-38-1, and includes any establishment, garage, or work area enclosed within a building where repairs are made or caused to be made to motor vehicle bodies, including fenders, bumpers, chassis and similar components of motor vehicle bodies as distinguished from the seats, motor, transmission, and other accessories for propulsion and general running gear of motor vehicles, except as provided in R.I. Gen. Laws § 5-38-20.
4. "Automobile manufacturer" means any person, partnership, corporation, association, or other form of business enterprise engaged in manufacturing or assembling of passenger cars, trucks, or station wagons,

including any person, partnership or corporation which acts for or is under the control of such manufacturer or assembler in connection with the distribution of said motor vehicles.

5. "Business of salvage vehicle repairing" or "Salvage vehicle repairing" means the act or acts of preparing, fixing, restoring, or putting together Salvage Vehicles for the owner of the vehicle, or for the purpose of resale in the retail market.
6. "Certificate of salvage repair" means a certificate executed by a Licensee which shall certify that the Licensee has rebuilt the Salvage Vehicle in accordance with R.I. Gen. Laws § 31-46-1 *et seq.* and this Regulation and which must accompany the vehicle to the inspection station and registry at the Division of Motor Vehicles ("DMV").
7. "Certification organization" means an organization that certifies individuals in motor vehicle body repair work. Such organizations shall include, but are not limited to, Automotive Service Excellence ("ASE"), Inter-Industry Conference on Auto Collision Repair ("ICAR"), New England Technical Institute, Rhode Island auto body repair associations, and other certified or accredited public or private educational institutions.
8. "Consumer" means the person or entity whose vehicle is being or has been repaired.
9. "Department" means the Department of Business Regulation.
10. "Director" means the Director of the Department or his or her designee.
11. "Licensee" means a Person holding a License pursuant to this Regulation.
12. "Motor vehicle" means any automobile, truck or other self-propelled vehicle of any type.
13. "Motor vehicle body" means that portion of the Motor Vehicle mounted on the chassis or frame or unibody, including fenders, bumpers, chassis, windshields, glass and similar components of motor vehicle bodies as distinguished from the seats, motor, transmission, air conditioning condenser, radiator and other accessories for propulsion and general running gear of motor vehicles.
14. "Motor vehicle body license" means any type of License from the Department issued to a Person engaged in the business of Motor Vehicle Body Work.
15. "Motor vehicle body work" or "Business of motor vehicle body work" means the act or acts of preparing, fixing, restoring, painting or putting

together a Motor Vehicle Body, including repairing, replacing or installing of glass thereon, or the subcontracting of said work.

16. "Paintless dent repair" or "PDR" means any motor vehicle body work that removes minor dents from the non-structural steel/aluminum panels of a motor vehicle without sanding, priming or painting.
17. "Person" means any individual, partnership, corporation, limited liability company, sole proprietorship, or any other legal entity, however formed.
18. "Salvage vehicle" means a Motor Vehicle declared to be a total loss because of:
 - a. Damage to such Motor Vehicle; or
 - b. Settlement of a claim for damage or theft, whether or not it is an owner retained Motor Vehicle.
19. "Salvage vehicle repair license" means an additional license issued to a Full Collision Licensee that authorizes that Licensee to also conduct the Business of Salvage Vehicle Repairing.
20. "Shop employee" means any individual employed (including owners, partners and all other individuals whether paid or unpaid) by an Automobile Body Shop who does not perform repairs of frame, structural systems, mechanical systems or the safety related systems of a Motor Vehicle.
21. "Technician" means any individual employed (including owners, partners and all other individuals whether paid or unpaid) by an Automobile Body Shop who performs repairs of frame, structural systems, mechanical systems or the safety related systems of a Motor Vehicle.
22. "Testing equipment" means the tools or equipment necessary to elevate, disassemble, measure or test drive a vehicle for purposes of reinspection.

2.4 Application for License

A. Application for Initial License and Renewals

1. In accordance with R.I. Gen. Laws § 5-38-4, no Person or business entity may engage in the Business of Motor Vehicle Body Work or the Business of Salvage Vehicle Repairing without first obtaining the appropriate License from the Department.
2. Term of License

- a. The term of each Motor Vehicle Body License shall be for not more than three (3) years before a renewal application is required.
 - b. The expiration date of the License shall appear on the License. It is the obligation of the Licensee to timely renew its License.
 3. Incomplete or Deficient Applications
 - a. Only complete applications will be reviewed by the Department. If the application is not approved as submitted, the Department shall provide the Applicant with a deficiency notice.
 - b. If the missing materials are not submitted to the Department within thirty (30) days of the date of the deficiency notice, the application shall be considered withdrawn.
 4. Upon review and finding of the application to be satisfactory, the Department shall issue the applicable License.
 5. Renewal of License
 - a. Renewal applications must be received by the Department prior to the expiration of the License.
 - b. Every Licensee registered pursuant to R.I. Gen. Laws Chapter 5-38 and this Part, which desires to renew its License shall apply for renewal upon a form to be furnished by the Department and requesting whatever information the Department requires.
 - c. Any renewal of a License shall be subject to the same provisions and requirements covering issuance, suspension, and revocation of any License as originally issued.
- B. Application Requirements. Every Applicant for a Motor Vehicle Body License or renewal of an existing Motor Vehicle Body License must submit to the Department the following:
1. The completed application form adopted by the Department;
 2. The License fee of three hundred dollars (\$300.00) for each year the Motor Vehicle Body License is to be issued (the standard License term is three (3) years, and the corresponding fee is nine hundred dollars (\$900.00), but one (1) or two (2) year licenses are available upon request);
 3. A Certificate of Insurance to demonstrate financial responsibility sufficient to satisfy to the requirements of § 2.4(C) of this Part;

4. Evidence of compliance with State and local zoning, fire, health and safety laws and Regulations through proof of zoning approval (only required for new and transfer applications) and a letter from a local fire department or the State Fire Marshal;
5. A designation of the person and address, including an email address, where the Department may send notices;
6. An EPA number issued by the Rhode Island Department of Environmental Management ("DEM"), or a letter from DEM stating that they are not required to maintain such a number (only required for new and transfer license applications);
7. Evidence of Technician certification in compliance with the requirements of § 2.12 of this Part. This requirement shall not apply to Motor Vehicle Glass installation licenses.
8. A completed taxpayer status affidavit; and
9. Certification that they are in good standing with the Rhode Island Secretary of State (only required for corporations and limited liability companies).

C. Evidence of Financial Responsibility (Insurance)

1. Each Applicant shall furnish to the Director and maintain during the terms of the Motor Vehicle Body License a certificate of insurance issued by an insurance company licensed to transact business in this State showing that the Applicant has a policy insuring him, her or it against liability for injury to persons and damage to property which may be caused by the operation of the business. Such policy shall provide for:
 - a. Bodily injury and property damage liability in the amount of not less than five hundred thousand dollars (\$500,000.00) per occurrence; and
 - b. Garage keepers' legal liability including comprehensive and collision for damage to customers vehicles in the amount of not less than one hundred thousand dollars (\$100,000.00) per occurrence.
2. Such insurance shall be non-cancelable by either party to the contract, except with five (5) days prior written notice to the Department furnished by the Licensee. Licensee shall also instruct the insurance company that issued the policy to send written notice to the Department at least five (5) days prior to any cancellation of the contract. Cancellation shall be effective not sooner than five (5) days after receipt of said notice by the Department from the Licensee or insurance company, whichever is earlier. Any Licensee subject to such insurance cancellation shall obtain a

replacement insurance policy and shall furnish to the Director a certificate of insurance evidencing new insurance coverage sufficient to meet the requirements listed above or see § 2.4(G) of this Part.

3. Licensees shall instruct their insurer to send cancellation notices to the Department at the following address:

Department of Business Regulation

Commercial Licensing Division, Attn: Auto Body

1511 Pontiac Ave

Cranston, RI 02920

- D. Space Requirements. Except as otherwise provided below, Licensees must conduct the Motor Vehicle Body Work and Salvage Vehicle Repair Work at a fixed location with at least four thousand (4,000) square feet of heated ground level floor space, with a specific location and common boundaries where Motor Vehicles may be serviced.
 1. The provisions of this paragraph do not apply to any Licensees in existence and having a valid License as of the date of this Regulation.
 2. Upon written request, the Department may waive the minimum space requirements in part or in whole upon a written finding by the Department that there will be minimal or no adverse effect to the public.
 3. Paintless Dent Repair Special Use License holders are not required to have a fixed location in accordance with R.I. Gen. Laws § 5-38-1.
- E. On Site Inspection. Before issuing a License a field representative of the Department may make an on-site inspection of the Applicant's business premises.
- F. Display of Licenses. Every Licensee must conspicuously display the Motor Vehicle Body and Salvage Vehicle Repair Work license issued by the Department at the location listed on the license. The license number must appear on all business communications, estimates, signs, business cards, and other written documentation related to that business.
- G. Continuing Licensing Requirements. Each Licensee is required to remain in compliance with this Part throughout the term of their License. If a Licensee becomes aware that they are not in compliance, the Licensee shall notify the Department of the deficiency within thirty (30) days. Such notification shall identify a plan of correction. Any Licensee shall have sixty (60) days to return to full compliance with these rules before their license may be revoked for violating this provision.

2.5 Full Collision Repair License – Class A

A. FULL COLLISION REPAIR LICENSE CLASS A (“Class A License”). This License permits a Licensee to perform all types of Motor Vehicle Body Work. In addition to satisfying the requirements for a Class B License (set forth in § 2.6 of this Part) and completing the application process set forth in § 2.4 of this Part, all applicants for a Class A License must satisfy and submit proof of the following requirements:

1. Evidence of certification for the repair and refinishing of aluminum, high strength steel, and other metal or alloy, by at least one (1) Automobile Manufacturer. Proof of certification will be accepted by the Department provided it is directly from the Automobile Manufacturer or its designated third-party administrator;
2. Evidence of a written lifetime warranty on repairs that is valid against workmanship defects;
3. Evidence of the existence of a system for documenting customer complaints; and
4. Evidence of certification, pursuant to § 2.12 of this Part, for all Technicians in all seven (7) areas, or evidence of Licensee’s Inter-Industry Conference on Auto Collision Repair (I-CAR) Gold Class recognition.

2.6 Full Collision Repair License – Class B

A. FULL COLLISION REPAIR LICENSE CLASS B (“Class B License”). This License permits a Licensee to perform all types of Motor Vehicle Body Work. In addition to completing the application process set forth in § 2.4 of this Part, all applicants for a Class B License must satisfy and submit proof of the following requirements:

1. Electrical and/or hydraulic pulling equipment;
2. Current dimensional guides;
3. Four (4) point clamping system to secure vehicle;
4. Equipment/gauges mechanical or electronic capable of three dimensional measurements;
5. Welding equipment to meet manufacturers' requirements;
6. A paint system or access to a paint system capable of producing original manufacturers' requirements and a spray booth that conforms to the requirements of the State of Rhode Island Fire Marshal;

7. Parking in compliance with local laws and Regulations to perform the repair work; and
8. Evidence of Technician certification as required by § 2.12 of this Part, or evidence of Licensee's Inter-Industry Conference on Auto Collision Repair (I-CAR) Gold Class recognition.

2.7 Transitioning between Class A and Class B Licenses

- A. Transitioning from a Class B License to a Class A License. Class B License holders may apply to transition to a Class A License at any time during the term of the License with payment of an additional three hundred dollar (\$300.00) non-refundable fee. If the Department determines that they meet the licensing requirements of a Class A License, the Department will issue the Licensee a Class A License with the same expiration date as the Class B Licensee's existing license. The Licensee shall then return its Class B License to the Department within fifteen (15) days.
- B. Transitioning back from a Class A License to a Class B License. If a Class A Licensee no longer meets the requirements of § 2.5 of this Part, it must notify the Department within thirty (30) days. It will then have sixty (60) days to return to compliance, or its license may be converted to a Class B License for the remainder of its license term if it meets the requirements of § 2.6 of this Part and, if not, the license may be revoked, as in § 2.4(G) of this Part.

2.8 Limited Heavy Truck and Equipment License

- A. This License permits the refinishing and body repair of trucks over the GVW (gross vehicle weight) of twenty-four thousand (24,000) pounds, cranes, trailers or other equipment. In addition to completing the application process set forth in § 2.4 of this Part, applicants must satisfy and submit proof of the following requirements:
 1. Parking in compliance with local laws and Regulations to perform the repair work;
 2. Welding equipment to meet manufacturers' requirements;
 3. A paint system or access to a paint system capable of producing original manufacturers' requirement; and a spray booth that conforms to the requirements of the State of Rhode Island Fire Marshal; and
 4. The Limited Heavy Truck and Equipment License only requires Evidence of Technician Certification in the categories listed in §§ 2.12(A)(3), (4), (5) and (7) of this Part. The categories listed in §§ 2.12(A)(1), (2), and (6) of this Part are not required.

- a. An applicant or licensee may petition the Department for an exception to the specific technician certification requirements set forth in this section.

2.9 Limited Paint, Restoration and Customization License

- A. This License permits restoration or customization of motor vehicles but not collision damaged vehicles. In addition to completing the application process set forth in § 2.4 of this Part, the applicant must submit proof of and satisfy the following requirements:
 1. Parking in compliance with local laws and Regulations to perform the repair work;
 2. Welding equipment to meet manufacturers' requirements;
 3. A paint system or access to a paint system capable of producing original manufacturers' requirement; and a spray booth that conforms to the requirements of the State of Rhode Island Fire Marshal; and
 4. The Limited Paint, Restoration and Customization License only requires Evidence of Technician Certification in the categories listed in §§ 2.12(A)(3), (4), (5) and (7). The categories listed in §§ 2.12(A)(1), (2), and (6) are not required.
- a. An applicant or licensee may petition the Department for an exception to the specific technician certification requirements set forth in this section.

2.10 Special Use Licenses

- A. A Special Use License permits limited, specially identified activities within the definition of Motor Vehicle Body Work that are not consistent with the licenses described in §§ 2.5, 2.6, 2.8 and 2.9 of this Part. In addition to completing the application process set forth in § 2.4 of this Part, the Department will inform the applicant of other requirements necessary to obtain a Special Use License based on the specific special use they anticipate.
- B. Motorcycle Only Body Repair Special Use License ("Motorcycle Only License")
 1. This License may only be issued to a person or entity that certifies to the Department that it only engages in motorcycle body repair work and not on any other motor vehicle.
 2. Application Requirements – Applicants for this License must submit a complete application that includes:
 - a. All information required in § 2.4 of this Part.

- b. A certification that the Applicant possesses:
 - (1) A paint system or access to a paint system capable of producing original manufacturers' requirements and a spray booth that conforms to the requirements of the State of Rhode Island Fire Marshal;
 - (2) Parking in compliance with local laws and Regulations to perform the repair work; and
- c. The full requirements for technician certification in § 2.12 of this Part are not required for a Motorcycle Only License. Each applicant for a Motorcycle Only License must certify that all technicians performing work under their license have completed the Technician Certifications required in §§ 2.12(A)(3) and (7) as applicable.
- 3. Any repair motorcycles which require a salvage title from the DMV must be done by the holder of a salvage vehicle license in accordance with § 2.11 of this Part.

C. Paintless Dent Repair Special Use License ("PDR License")

1. License required

PDR work constitutes auto body repair and must be performed under a Full Collision Repair License, Class A or B, or a PDR License.

2. Application Requirements

- a. Applicants for a PDR License must comply with §§ 2.4(A), (E), (F) and (G) of this Part.
- b. The completed application form adopted by the Department.
- c. A designation of the person and address, including an email address, where the Department may send notices.
- d. The License fee of three hundred dollars (\$300.00) for each year the PDR License is to be issued (the standard License term is three (3) years, and the corresponding fee is nine hundred dollars (\$900.00), but one (1) or two (2) year licenses are available upon request).
- e. A Certificate of Insurance to demonstrate financial responsibility, in compliance with §§ 2.4(C)(2) and (3) of this Part, sufficient to satisfy to the following minimum requirements:

- (1) Bodily injury and property damage liability in the amount of not less than three hundred thousand dollars (\$300,000.00) per occurrence; AND
 - (2) Garage keepers' legal liability, including comprehensive and collision for damage to customers' vehicles, in the amount of not less than fifty thousand dollars (\$50,000.00) per occurrence.
 - f. If operating out of a fixed location, evidence of compliance with State and local zoning, fire, health and safety laws and Regulations through proof of zoning approval (only required for new and transfer applications) and a letter from a local fire department or the State Fire Marshal.
 - g. The full requirements for technician certification in § 2.12 of this Part are not required for a PDR License. Each applicant for a PDR License must certify that all technicians performing work under their license have completed the following Technician Certifications:
 - (1) The most recent Board approved New Vehicle Technology and Trends class available within the twenty-four (24) months prior to the date of initial application or renewal; and
 - (2) Corrosion Protection as set forth in § 2.12(A)(7) of this Part.
 - h. A completed taxpayer status affidavit.
 - i. Certification that they are in good standing with the Rhode Island Secretary of State (only required for corporations and limited liability companies).
 - j. If using a mobile service van, whether on a mobile-only basis or as an extension of a physical location, evidence of registration and insurance as a commercial vehicle for each such van.
 - k. Pursuant to R.I. Gen. Laws § 5-38-1, PDR license holders are not required to have a fixed location.
3. If a Full Collision Repair License Class A or B holder wants to operate a mobile service van for PDR repair, the licensee must:
- a. Submit evidence of registration and insurance as a commercial vehicle for each such van; and
 - b. Certify that the use of the mobile service van will be limited to PDR work and will not be used to perform any other motor vehicle body repair work in accordance with R.I. Gen. Laws § 5-38-1.

2.11 Salvage Vehicle Repair License

- A. License Required. No Person may engage in the Business of Salvage Vehicle Repairing without first obtaining a License. Only Class A, Class B and Special Use Licensees pursuant to R.I. Gen. Laws § 5-38-1, *et seq.*, are eligible to apply for and hold a Salvage Vehicle Repair License. The term of each License issued shall not exceed three (3) years. The fee for the Salvage Vehicle Repair License shall be in addition to the fee for the Class A, Class B or Special Use License.
- B. Class A Licensee Salvage Vehicle Repair License Applications. Any holder of a Class A License shall be eligible to receive a Salvage Vehicle Repair License by checking a box on their initial or renewal Class A License application, or by submitting at any time a Salvage Vehicle Repair License application, and by paying an additional non-refundable fee of three hundred dollars (\$300.00) per year (totaling nine hundred dollars (\$900.00) for a three (3) year license).
- C. Class B Licensee Salvage Vehicle Repair License Applications. Any holder of a Class B License that satisfies the one (1) in two (2) technician certification requirement set forth in § 2.12(C) of this Part, may also apply to obtain a Salvage Vehicle Repair License by checking a box on their initial or renewal Class B License application, or by submitting at any time a Salvage Vehicle Repair License application and paying an additional non-refundable fee of three hundred dollars (\$300.00) per year (totaling nine hundred dollars (\$900.00) for a three (3) year license).
- D. Special Use Licensee Salvage Vehicle Repair License Applications. Any holder of a Special Use License may petition the Department for a determination of what requirements they will need to be eligible to be granted a Salvage Vehicle Repair License. The Department may, in its discretion, seek advice from the Auto Collision Repair Licensing Advisory Board to formulate the requirements for such a Salvage Vehicle Repair License. The non-refundable fee for such a license is an additional three hundred dollars (\$300.00) per year (totaling nine hundred dollars (\$900.00) for a three (3) year license).
- E. Resale of Repaired Salvage Vehicles. No Person shall sell or offer to sell any Salvage Vehicle repaired by a Licensee without first having such vehicle issued a certificate of inspection in accordance with R.I. Gen. Laws § 31-38-1 *et seq.* The provisions of this Part are in addition to any and all other provisions of law concerning the rebuilding and sale of Salvage Vehicles.
- F. Certificate of Salvage Repair Forms. Each Licensed Salvage Vehicle Repairer will be given assigned numbered Certificate of Salvage Repair forms. Failure to supervise and control the Certificate of Salvage Repair forms in conformance with this Part may result in the suspension or revocation of the License.

2.12 Technician Certification

- A. Technician Certifications are required for all of the following categories:
1. Identification and Analysis of Damage to Vehicles;
 2. Frame Measuring and Straightening Systems and Techniques;
 3. Welding in Collision Repair;
 4. Structural Steel Repairs;
 5. Suspension, Steering, and Alignment Systems;
 6. Safety Restraint Systems; and
 7. Corrosion Protection.
- B. CLASS A LICENSEES. Upon submission of a new or renewal application for a Class A License pursuant to § 2.5 of this Part, each Applicant must certify under the penalty of perjury to the Department that all Technicians it has in its employ are certified in each category listed in § 2.12(A) of this Part.
- C. CLASS B LICENSEES WITH A SALVAGE VEHICLE REPAIR LICENSE. Upon submission of a new or renewal application for a Class B License with the additional Salvage Vehicle Repair License, pursuant to §§ 2.6 and 2.11 of this Part, each Applicant must certify under the penalty of perjury to the Department that for every two (2) Technicians working for the Licensee, one (1) full set of certifications is held by any combination of the Technicians. Any combination of the certifications shall suffice as long as certifications in all seven (7) categories listed in § 2.12(A) of this Part are held in the appropriate one (1) for every two (2) ratio, where fractions shall be rounded up to the next highest whole number.
1. For example: A shop with one (1) or two (2) Technicians would need one (1) full set of certifications, either held by a single Technician or distributed between the Technicians in any combination. But a shop with five (5) Technicians would require three (3) full sets of certifications, distributed amongst the five (5) Technicians in any combination.
- D. CLASS B AND ALL OTHER MOTOR VEHICLE BODY LICENSEES. Upon submission of a new or renewal application for a Class B License pursuant to § 2.6 of this Part, or any other Motor Vehicle Body License issued pursuant to §§ 2.8, 2.9 and 2.10 of this Part, each Applicant must certify under the penalty of perjury to the Department that for every five (5) Technicians working for the Licensee, one (1) full set of certifications is held by any combination of the Technicians. Any combination of the certifications shall suffice as long as certifications in all seven (7) categories listed in § 2.12(A) of this Part are held in

the appropriate one (1) full set for every five (5) Technician ratio, where fractions shall be rounded up to the next highest whole number.

1. For example: A shop with one (1), two (2), three (3), four (4), or five (5) Technicians would need one (1) full set of certifications, either held by one (1) Technician or distributed between its Technicians in any combination. But a shop with six (6) Technicians would require two (2) full sets of certifications, distributed amongst the six (6) Technicians in any combination.
- E. Certification Documentation. All applicable licensees must maintain a record of certification for each Technician in its employ. Such documentation must include the Technician's transcript and related certifications, and must be readily available. All Technician certifications must be maintained and current throughout the term of the license.
- F. All "Certification Organizations" with respect to Technician Certifications as set forth in § 2.12 of this Part, shall report a written description of the certification program it offers, including subjects offered and method of testing or evaluation, to the Auto Collision Repair Licensing Advisory Board of the Department.

2.13 Motor Vehicle Body License Denial, Suspension, Revocation

- A. In addition to the reasons listed in R.I. Gen. Laws § 5-38-10, the Department may deny an application for a Motor Vehicle Body License or revoke or suspend a Motor Vehicle Body License if it determines that an employee or manager or owner of an Applicant or Licensee has engaged in any the following activities:
1. Said individual has been convicted of any criminal felony involving dishonesty, breach of trust, forgery, embezzlement, obtaining money under false pretenses, bribery, larceny, extortion, conspiracy to defraud, fraud, false dealing or any similar offense(s);
 2. Said individual has had a Motor Vehicle Body License revoked or suspended or an application for a Motor Vehicle Body License denied or any other License issued by this State revoked or suspended or an application for such denied; or
 3. Said individual has performed work outside the scope of their License classification.

2.14 Salvage Vehicle Repair License Denial, Suspension, Revocation

- A. The Department may deny an application for a Salvage Vehicle Repair License, or revoke or suspend a Salvage Vehicle Repair License for any of the following reasons:
1. Violation of any provisions of the Acts or this Part;

2. Where an applicant has made a materially untrue statement in the application;
3. On proof of unfitness of an Applicant to conduct the Business of Salvage Vehicle Repairing;
4. Defrauding any customer;
5. Refusal to surrender any Motor Vehicle to the owner thereof upon tender of payment of the proper charges for towing and work done on the vehicle;
6. Having indulged in any unconscionable practice relating to the Business of Salvage Vehicle Repairer;
7. Willful failure to perform work contracted for;
8. Failure to comply with the safety standards of the industry;
9. Failure to have or maintain a Full Collision Repair License (Class A, Class B or Special Use only);
10. Failure to maintain any of the requirements to obtain a Salvage Vehicle Repair License, identified in § 2.11 of this Part; or
11. Any misuse of a Certificate of Salvage Repair.

2.15 Reinspection

- A. Upon written or verbal request by an insurance company to reinspect a Motor Vehicle, the Licensee shall allow representatives of the insurance company to reinspect the Motor Vehicle after the Motor Vehicle Body Work has been completed, in accordance with the provisions of R.I. Gen. Laws § 27-10.1-9.
- B. Pursuant to R.I. Gen. Laws § 27-10.1-9(c), if the reinspection requires the use of body shop Testing Equipment, the insurance carrier shall pay for the use of that Testing Equipment and such fee shall be arranged between the insurance carrier and the auto body shop and such agreed upon fee shall be consistent with all other applicable Rules and Regulations.

2.16 Miscellaneous

- A. Change of Address/Application Information. Written notice shall be given to the Department by each Licensee within fourteen (14) days of any change in mailing address, or any other change in any information reported on the most recent application, including employees.
- B. Change of Business Location. Any Licensee changing its business address must submit a transfer application to the Department and provide new evidence of all

applicable requirements set forth in § 2.4 of this Part, specifically including the space, zoning, health, fire, safety and welfare requirements, a new Certificate of Insurance and possible a new EPA number.

- C. Change in Ownership or Management. A Motor Vehicle Body or Salvage Vehicle Repair License shall be granted only to the Applicant and shall not inure to the benefit of any other party. The Motor Vehicle Body License and Salvage Vehicle Repair License are not subject to transfer, assignment or leasing to another Person without prior application to, and approval from the Department.
- D. Licensee Ceases Operations. When a Licensee ceases operating the Business of Motor Vehicle Body Work or Business of Salvage Vehicle Repairing, the Licensee must return the original License to the Department within fifteen (15) days thereof. Such return of the license shall not affect the Licensee's civil or criminal liability for acts committed prior to the surrender thereof.
- E. Aftermarket Parts on Newer Vehicles. Licensees shall use original equipment manufactured parts and/or aftermarket parts pursuant to the requirements set forth in R.I Gen. Laws § 27-10.2-2, Aftermarket Parts – Time Limit Prohibition.
- F. Consumer's Right to Choose. In accordance with the provisions of R.I. Gen. Laws § 5-38-30, every Licensee must post a sign in a conspicuous location in boldfaced typed letters at least two inches (2") high that states:

PURSUANT TO RHODE ISLAND LAW, THE CONSUMER HAS THE RIGHT TO CHOOSE THE REPAIR FACILITY TO COMPLETE REPAIRS TO A MOTOR VEHICLE; AND AN INSURANCE COMPANY MAY NOT INTERFERE WITH THE CONSUMER'S CHOICE OF REPAIRER.

- G. Subcontracting Notifications. Licensees must notify a consumer in writing of subcontracting work on the consumer's vehicle at least twenty-four (24) business hours before the consumer's vehicle is expected to be serviced by the subcontracting entity or individual, whether or not the subcontracting entity or individual is a licensee of the Department. Notice of subcontracting work is strictly for the benefit of the consumer and shall not be interpreted to redirect liability for subcontracting work away from the Licensee.

2.17 Records of Transactions to be Maintained

- A. All Licensees must maintain at a minimum the following information in its records for each motor vehicle repaired for a two (2) year period:
 - 1. Consumer's name;
 - 2. Consumer's address;
 - 3. Vehicle make, model and year;

4. Vehicle VIN (Vehicle Identification Number);
 5. Written authorization from the consumer to repair the vehicle;
 6. All invoices and receipts in connection with repairs made on the vehicle;
 7. The final repair bill, including but not limited to an itemized listings of manufactured parts, used parts and generic parts used in the repair;
 8. Insurance estimate(s);
 9. Any document wherein the consumer directs the insurance payment from the Insurer directly to the Licensee;
 10. Any document wherein the Licensee references subcontracted work on the vehicle;
 11. Any scan done on the vehicle;
 12. Any document describing the vehicle's frame measurements and calibrations;
 13. Any document wherein the Licensee and the Consumer agree to repairs different from those outlined in the Insurance estimate;
 14. Any photographs taken of the vehicle by the Licensee; and
 15. Any document, including but not limited to notices, appraisals, estimates and/or any written consent, required to be provided by the auto body shop to its customer pursuant to R.I. Gen. Laws § 27-10.2-2.
- B. All records kept in accordance with this Regulation must be maintained at the address at which the premises is Licensed and available for inspection during regular business hours.
- C. CLASS A LICENSEES ONLY. For at least five (5) years, Class A Licensees shall also maintain the information identified in § 2.17(A) of this Part and whatever additional information is necessary to identify what work they performed on the vehicle as a part of their lifetime warranty on repairs that is valid against workmanship defects.

2.18 Complaints/Hearing

- A. Complaints. All complaints from consumers or law enforcement officials against Licensees or other Persons for violations of this Regulation or the Acts may be investigated by the Department. In furtherance thereof, the Department may notify the Licensee or Person in writing of the Department's receipt of the complaint, enclosing a copy thereof. The Licensee or Person shall within ten (10)

days from the date of the Department's letter to the Licensee file with the Department a written answer to the complaint. The Department may submit a copy thereof to the complainant for further response, if necessary. Upon receipt of the response, the Department may then evaluate the complaint and response thereto and handle the matter in compliance with the Department's applicable procedures and Regulations for such matters. The Department may, upon its own motion, with or without a complaint, notice a hearing for the purposes of further investigating whether to sanction a Licensee or other Person.

- B. Hearings. The notice for and conduct of any hearings held pursuant to this Regulation or the Acts shall be governed by the applicable provisions of the Acts, the Department's Rules of Procedure for Administrative Hearings, Part [10-00-2](#) of this Title, and the Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 *et seq.*

2.19 Penalties for Violations

Any Licensee or other Person who fails to comply with the provisions of this Part or the provisions of the Acts may be subject to any of the penalties, administrative, civil and criminal, as outlined in the Acts.

2.20 Severability

If this Regulation or the application thereof to any Person or circumstance is held to be invalid, such invalidity shall not affect other provisions or application of this Regulation which can be given effect without the invalid provision or application, and to this end the provisions are declared to be severable.

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**TITLE 230 - DEPARTMENT OF BUSINESS REGULATION (INCLUDES
THE OFFICE OF THE HEALTH INSURANCE COMMISSIONER)**

CHAPTER 30 - COMMERCIAL LICENSING

SUBCHAPTER 05 - AUTO BODY

PART 2 - MOTOR VEHICLE BODY AND SALVAGE VEHICLE REPAIR

Type of Filing: Amendment

Agency Signature

Agency Head Signature

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Department of State

Regulation Effective Date

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