

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

SB 988 (Grayson)
Version: March 23, 2026
Hearing Date: April 14, 2026
Fiscal: Yes
Urgency: No
AM

SUBJECT

California Motor Vehicle Glass Act

DIGEST

This bill establishes the California Motor Vehicle Glass Act to provide consumer protections in connection with the repair or replacement of damaged motor vehicle glass by a motor vehicle glass repair shop.

EXECUTIVE SUMMARY

This bill seeks to enact a National Council of Insurance Legislators (NCOIL) model law.¹ According to the NCOIL, the purpose of the model act is to protect consumers by prohibiting certain deceptive practices as it relates to replacement of damaged motor vehicle glass by a motor vehicle glass repair shop. With the advent of advanced driver assistance systems (ADAS) in cars, windshield replacement has become more technical. An ADAS uses sensors that are placed behind a windshield to detect hazards and operate other features of a car, such as automatic braking and adaptive cruise control. It is imperative that when a windshield is replaced the ADAS is properly calibrated for the enhanced features to function properly and accurately. This bill seeks to ensure consumers receive adequate notice of this fact when getting a windshield replaced. The bill also places requirements on how a repair involving an insurance policy is to be handled, including prohibiting the assignment of benefits or charging higher fees and costs to an insured for the repair or replacement of damaged motor vehicle glass than are reasonable and customarily charged in the state. The bill is author sponsored and supported by the American Property Casualty Insurance Association, the National Association of Mutual Insurance Companies, the National Insurance Crime Bureau, the Pacific Association of Domestic Insurance Companies, the Personal Insurance Federation of California, and Safelite. The bill is opposed by Bay Area Express Glass and the Independent Glass Association.

¹ Nat'l Council of Ins. Legislators, *Motor Vehicle Glass Model Act*, (Apr. 27, 2025), available at <https://ncoil.org/wp-content/uploads/2025/04/NCOIL-Motor-Vehicle-Glass-Model-Adopted-April-2025.pdf>.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes the Unfair Competition Law (UCL), which provides a statutory cause of action for any unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue, or misleading advertising, including over the internet. (Bus. & Prof. Code § 17200 et seq.)
- 2) Establishes the Consumer Legal Remedies Act (CLRA), which prohibits unfair methods of competition and unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or which results in the sale or lease of goods or services to any consumer. (Civ. Code § 1750 et seq.)
- 3) Establishes the False Advertising Law (FAL), which proscribes making or disseminating any statement that is known or should be known to be untrue or misleading with intent to directly or indirectly dispose of real or personal property. (Bus. & Prof. Code § 17500 et seq.)
- 4) Provides remedies for individuals who have suffered damages as a result of fraud or deceit, including situations involving fraudulent misrepresentations. (See Civil Code §§ 1709-1710, 1572-1573.)

This bill:

- 1) Establishes the California Motor Vehicle Glass Act.
- 2) Defines the following terms for purposes of the California Motor Vehicle Glass Act.
 - a) "Advanced driver assistance system" means any motor vehicle electronic safety system, as outlined in the most recent version of SAE International's Standard J3016 Levels of Driving Automation, that is designed to support the driver and motor vehicle in a manner intended to increase motor vehicle safety and reduce losses associated with motor vehicle crashes.
 - b) "Insurance producer" means an individual or business entity required to be licensed within the state to sell, solicit, or negotiate insurance or annuity contracts. "Insurance producer" includes an agent, managing general agent, surplus lines broker, reinsurance intermediary broker and manager, rental vehicle agent and rental vehicle agent managing employee, and consultant.
 - c) "Insured" means a person that is entitled, or may be entitled, to receive first-party benefits or payments under an insurance policy.
 - d) "Motor vehicle glass" means the glass and nonglass parts associated with the replacement of the glass used in the windshield, doors, or windows of a motor vehicle.

- e) "Motor vehicle glass repair shop" means a person, including the person's employees and agents, that for consideration engages in the repair or replacement of damaged motor vehicle glass.
 - f) "Notice" means direct written communications, including verifiable text, email, or application-based messaging, that is easily accessible by the consumer.
 - g) "Person" means any individual, corporation, limited liability company, partnership, association, or other group authorized to conduct business in the state.
 - h) "Repair or replacement of damaged motor vehicle glass" includes both of the following:
 - i. inspecting, repairing, restoring, or replacing damaged motor vehicle glass; and
 - ii. calibrating or recalibrating an advanced driver assistance system when an incident requires the replacement of damaged motor vehicle glass.
 - i) "Rights or benefits under the policy" includes the insured's right to receive any and all post-loss benefits or payments available or payable under the policy, including, but not limited to, claim payments.
- 3) Prohibits an insured under a motor vehicle insurance policy that covers windshield and calibration repair or replacement from, either before or after a claimed or covered loss, assigning, delegating, or otherwise transferring, in whole or in part, to any other person the insured's duties under the policy or rights or benefits under the policy.
- a) A contract entered in violation of this provision is void and unenforceable.
 - b) Provides that this provision is not to be construed to prohibit an insured from authorizing or directing payment to, or paying, a person for services, materials, or any other thing that may be, or is, covered under an insurance policy.
- 4) Requires a motor vehicle glass repair shop, before providing service to an insured for a repair or replacement of damaged motor vehicle glass, to notify the insured of both of the following:
- a) whether the motor vehicle has an advanced driver assistance system; and
 - b) if the motor vehicle has an advanced driver assistance system:
 - i. whether calibration or recalibration of the motor vehicle's advanced driver assistance system is needed after the windshield repair or replacement as recommended by the vehicle manufacturer;
 - ii. whether the motor vehicle glass repair shop intends to calibrate or recalibrate the advanced driver assistance system in a manner that meets the motor vehicle manufacturer's specifications; and
 - iii. if the motor vehicle glass repair shop cannot perform or does not intend to perform a calibration or recalibration, that the motor vehicle should

be taken to the vehicle manufacturer's certified dealership or a qualified specialist capable of performing the calibration or recalibration.

- 5) Requires a motor vehicle glass repair shop, if calibration or recalibration of the motor vehicle's advanced driver assistance system is performed, to provide written notice to the insured for both of the following:
 - a) whether the calibration or recalibration was successful; and
 - b) if the calibration or recalibration was not successful, that the motor vehicle should be taken to the vehicle manufacturer's certified dealership or a qualified specialist capable of performing the calibration or recalibration.
- 6) Prohibits a motor vehicle glass repair shop from contracting with a person for repair or replacement of damaged motor vehicle glass that would be paid by a first-party insurance policy until all of the following conditions are met:
 - a) the person has made a first-party claim for the repair or replacement of damaged motor vehicle glass under a motor vehicle insurance policy;
 - b) the motor vehicle glass repair shop has received a claim or referral number for the claim; and
 - c) the disclosures described in 3), above, have been made.
- 7) Requires a motor vehicle glass repair shop to do all of the following:
 - a) provide the insured with a good faith estimate of the fees and costs that are anticipated to be charged to the insured by the motor vehicle glass repair shop for the repair or replacement of damaged motor vehicle glass;
 - b) before performing the service, provide the insured an updated estimate; and
 - c) not charge more than the reasonable and customary fees and costs to an insured for the repair or replacement of damaged motor vehicle glass and any associated calibration or recalibration of the motor vehicle's advanced driver assistance system as recommended by the vehicle manufacturer specifications.
- 8) Prohibits a motor vehicle glass repair shop, or any other person who is compensated for the solicitation of insurance claims, from offering a rebate, gift, gift card, cash, coupon, fee, prize, bonus, payment, incentive, inducement, or any other thing of value to any insured, insurance producer, or other person in exchange for directing or making a claim under a motor vehicle insurance policy for the repair or replacement of damaged motor vehicle glass.
- 9) Prohibits a motor vehicle glass repair shop from doing any of the following:
 - a) charging higher fees and costs to an insured for the repair or replacement of damaged motor vehicle glass than are reasonable and customarily charged in California;

- b) submitting false, misleading, or incomplete documentation or information to an insured or an insured's insurer, including any agent of the insured or insurer, for the repair or replacement of damaged motor vehicle glass;
 - c) do either the following with respect to an insured's claim, or potential claim, for the repair or replacement of damaged motor vehicle glass, which results, or would result, in a higher insurance payment or a change of insurance coverage status:
 - i. indicate that work was performed in a geographical area that was not the geographical area where the work occurred; and
 - ii. advise an insured to falsify the date of damage;
 - a) falsely signing a work order or other insurance-related form relating to an insured's claim, or potential claim, for the repair or replacement of damaged motor vehicle glass;
 - b) misrepresent to an insured or the insured's insurer, including any agent of the insured or insurer, the price of the proposed repair or replacement of damaged motor vehicle glass;
 - c) state that an insured's insurer has approved the repair or replacement of damaged motor vehicle glass without doing both of the following:
 - i. verifying coverage directly with, or obtaining approval directly from, the insurer or the insurer's agent; and
 - ii. obtaining confirmation of the coverage or approval by facsimile, email, or other written or recorded communication;
 - d) state that the repair or replacement of damaged motor vehicle glass will be paid for entirely by an insurer and at no cost to the insured unless the coverage has been verified by the insurer or the insurer's agent; and
 - e) with respect to an insured's claim, or potential claim, for the repair or replacement of damaged motor vehicle glass, any of the following:
 - i. damage, or encourage an insured to damage, the motor vehicle in order to increase the scope of the repair or replacement of damaged motor vehicle glass;
 - ii. perform work that is clearly and substantially beyond the level of work necessary to restore the motor vehicle to a safe predamaged condition in accordance with accepted or approved reasonable and customary techniques for the repair or replacement of damaged motor vehicle glass;
 - iii. misrepresent the motor vehicle glass repair shop's relationship to an insured or the insurer's agent; and
 - iv. perform any other act that constitutes fraud or misrepresentation.
- 10) Requires a notice or invoice required for repair or replacement of damaged motor vehicle glass to be issued in the same size font as the invoice, estimate, or receipt.

- 11) Provides that an insured that makes a first-party claim for the repair or replacement of damaged motor vehicle glass under a motor vehicle insurance policy is not required to use a particular motor vehicle glass repair shop to receive claim payments or other benefits under the policy.
 - a) This provision is not to be construed to do any of the following:
 - i. prohibit an insurer, insurance producer, insurance adjuster, or any person acting on behalf of an insurer, insurance producer, or insurance adjuster from recommending a motor vehicle glass repair shop or providing an explanation to an insured of the coverage available, and any applicable liability limit, under any insurance policy;
 - ii. prohibit an insurer from maintaining a network of motor vehicle glass repair shops; and
 - iii. creating a private cause of action.
 - b) Provides that it may be presumed that a motor vehicle glass repair shop is acting knowingly in violation of this provision if the motor vehicle glass repair shop engages in a regular and consistent pattern of the prohibited activity.

- 12) Makes a person or entity that violates the California Motor Vehicle Glass Act subject to a civil penalty to be assessed and recovered in a civil action brought in the name of the people of the State of California by a city attorney, district attorney, county counsel, or the Attorney General.
 - a) For the first violation, a civil penalty is not to exceed \$500.
 - b) For each subsequent violation, a civil penalty is not to exceed \$2,000.

COMMENTS

1. Stated need for the bill

The author writes:

Across the United States, windshield glass-related losses in comprehensive auto insurance are frequent. An average of 12-14 million claims are filed per year, with glass repair or replacement accounting for nearly 30% of all vehicle claims. Additionally, motor vehicle glass has become increasingly sophisticated, incorporating advanced technologies such as heads-up displays, embedded antennas, rain sensors, and Advanced Driver Assistance Systems (ADAS) components, including cameras and lane-departure sensors. These technological features make glass replacement more complex, requiring special installation and precise calibration to ensure proper functionality. With the rise in glass-related losses and advances in technology, SB 988 provides a series of commonsense reforms to the auto glass industry governing insurance assignments, repair disclosures, billing practices, and

claim solicitation. This bill will reduce fraudulent claims, ensure safety, protect consumer choice, and stabilize insurance costs.

2. California's consumer protection laws

The Legislature has long considered consumer protection to be a matter of high importance. State law is replete with statutes aimed at protecting California consumers from unfair, dishonest, or harmful market practices. These consumer-protection laws authorize consumers to enforce their own rights and seek remedies to make them whole.

The UCL (Bus. & Prof. Code § 17200) provides remedies for “anything that can properly be called a business practice and that at the same time is forbidden by law.” (*Cel-Tech Communications, Inc. v. Los Angeles Cellular Telephone Co.* (1999) 20 Cal.4th 163, 180 [citations omitted].) The UCL provides that a court “may make such orders or judgments . . . as may be necessary to restore to any person in interest any money or property, real or personal, which may have been acquired by means of such unfair competition.” (Bus. & Prof. Code § 17203; *see also Korea Supply Co. v. Lockheed Martin Corp.* (2003) 29 Cal.4th 1134, 1146 [“An order for restitution, then, is authorized by the clear language of the [UCL.”].) The law also permits courts to award injunctive relief and, in certain cases, to assess civil penalties against the violator. (Bus. & Prof. Code §§ 17203, 17206.)

The CLRA was enacted “to protect the statute’s beneficiaries from deceptive and unfair business practices,” and to provide aggrieved consumers with “strong remedial provisions for violations of the statute.” (*Am. Online, Inc. v. Superior Court* (2001) 90 Cal.App.4th 1, 11.) The CLRA prohibits “unfair methods of competition and unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or which results in the sale or lease of goods or services to any consumer,” (Civ. Code § 1770(a)), and prohibits conduct “likely to mislead a reasonable consumer.” (*Colgan v. Leatherman Tool Grp., Inc.* (2006) 135 Cal. App. 4th 663, 680; internal quotation marks omitted.)

The FAL proscribes making or disseminating any statement that is known or should be known to be untrue or misleading with intent to directly or indirectly dispose of real or personal property. (Bus. & Prof. Code § 17500 et seq.) Violators are subject to a civil penalty not to exceed \$2,500 for each violation in an action brought by the Attorney General or by any district attorney, county counsel, or city attorney. (Bus. & Prof. Code § 17536.) Similar to the UCL, the FAL provides that a person may bring an action for an injunction or restitution if the person has suffered injury in fact and has lost money or property as a result of a violation of the FAL. (Bus. & Prof. Code § 17535.)

Among other things, the CLRA prohibits merchants from “representing that a transaction confers or involves rights, remedies, or obligations which it does not have or

involve, or which are prohibited by law,” or representing that goods “are of a particular standard, quality, or grade” when they are of another. (Civ. Code § 1770.) Consumers who are harmed by unlawful practices specified in the Act have a right of action under the CLRA to recover damages and other remedies, including actual damages; an order to enjoin the unlawful act; restitution; punitive damages; or any other relief that the court deems proper. (Civ. Code § 1780.)

3. The California Motor Vehicle Glass Act

a. *NCOIL model act*

This bill seeks to enact a National Council of Insurance Legislators (NCOIL) model law.² The NCOIL is a national, bipartisan organization with all 50 states as members where states are primarily represented by legislators who serve on their state’s committees related to insurance and financial institutions.³ According to the NCOIL, the purpose of the model act is protecting consumers by prohibiting certain deceptive or unfair practices related to the repair or replacement of auto glass.⁴ This model act has been passed by the Legislature in New York and is awaiting approval by the Governor. (N.Y. S.B. S4879B.) Kentucky and Florida have also passed versions of this model act. (KY SB 27; Ch. 29, Stats, 2024; FL SB 1002; CH. 2023-136.)

The author and supporters of the bill note that since the model act was adopted in Florida, lawsuits related to glass repair had dropped precipitously with 80 percent less lawsuits being filed one year after enactment.⁵ Auto insurance rates in Florida also dropped in 2025, which is partly attributed to the enactment of the model act.⁶ According to the Insurance Information Institute, some scrupulous actors in Florida were contacting drivers at car washes, gas stations, shopping centers who had windshield cracks and offer to fix it if they assigned their insurance benefits to them, sometimes offering inducements like gift cards.⁷

² Nat’l Council of Ins. Legislators, *Motor Vehicle Glass Model Act*, (Apr. 27, 2025), available at <https://ncoil.org/wp-content/uploads/2025/04/NCOIL-Motor-Vehicle-Glass-Model-Adopted-April-2025.pdf>.

³ Nat’l Council of Ins. Legislators, *Sound Public Policy in 50 States for 50+ Years*, available at <https://ncoil.org/>.

⁴ Nat’l Council of Ins. Legislators, Press Release, *NCOIL Property & Casualty Insurance Committee Adopts Motor Vehicle Glass Model Act*, (Feb. 24, 2025), available at <https://ncoil.org/news/ncoil-property-casualty-insurance-committee-adopts-motor-vehicle-glass-model-act/>.

⁵ Tarik Minor, News4Jax, (Aug. 5, 2025), *Florida auto insurance rates are dropping after new legislation. Here’s how to see how much you save*, available at <https://www.news4jax.com/news/local/2025/08/05/florida-auto-insurance-rates-are-set-to-drop-after-new-legislation-heres-how-to-see-how-much-you-save/>.

⁶ *Ibid.*

⁷ *Ibid.*

b. Advanced driver assistance systems (ADAS) and glass repair

Advanced driver assistance systems (ADAS) are technologies in cars that use sensors, such as cameras, radar, or LiDAR to detect hazards. These systems can include, among other features, automatic braking, lane assistance, and adaptive cruise control. Cars with an ADAS in their windshields require proper calibration after replacement to ensure that the systems function accurately and effectively. According to the Auto Glass Safety Council:

Now almost every new vehicle available is equipped with Advanced Driver Assistance Systems (ADAS). Your windshield plays a crucial role in the proper function of these ADAS systems. When you have damage to your windshield resulting in the need for a replacement, the components on the windshield that interact with your vehicles ADAS system must be recalibrated to ensure the vehicle can calculate the proper stopping distance for the automatic emergency braking and the proper alignment for the lane departure warning system. ADAS technology is advancing rapidly. Consumers need to seek out trained professionals that are certified in both windshield replacement and ADAS calibration.⁸

c. Notice requirements in the bill

This bill has several notice requirements. Before providing service to an insured, a motor vehicle glass repair shop must notify the insured of whether the motor vehicle has an advanced driver assistance system. If it does, the repair shop must notify the insured of: whether calibration or recalibration of the motor vehicle's advanced driver assistance system is needed after the windshield repair or replacement, whether the motor vehicle glass repair shop intends to calibrate or recalibrate the advanced driver assistance system in a manner that meets the motor vehicle manufacturer's specifications, and, if the motor vehicle glass repair shop cannot perform or does not intend to perform a calibration or recalibration, that the motor vehicle should be taken to the vehicle manufacturer's certified dealership or a qualified specialist capable of performing the calibration or recalibration. If calibration or recalibration of the motor vehicle's advanced driver assistance system is performed, the repair shop must provide a written notice of whether the calibration or recalibration was successful and, if not, that the motor vehicle should be taken to the vehicle manufacturer's certified dealership or a qualified specialist capable of performing the calibration or recalibration.

d. Other consumer protections in the bill

A repair shop must provide a good faith estimate to an insured and an updated estimate before performing the service. A repair shop is prohibited from charging

⁸ Auto Glass Safety Council, *Understanding the Importance of Calibration: What are the Facts?*, available at <https://agsc.org/understanding-the-importance-of-calibration-what-are-the-facts/>.

higher fees or costs to an insured for repair or replacement than are reasonable and customarily charged in California. It also requires any notice or invoice to be issued in the same size font as the invoice, estimate, or receipt.

Under the bill, the assignment of benefits (AOB) is prohibited. An AOB is an agreement signed by a policyholder that allows a third party, in this instance a motor vehicle glass repair shop, to act on behalf of the insured and seek direct payment from the insurance company. Once an AOB is signed, the insurer only communicates with the third party. A contract that is entered into in violation of the bill's provisions is void and unenforceable. A repair shop would be prohibited from contracting with a person for repair or replacement of damaged motor vehicle glass that would be paid by a first-party insurance policy until certain conditions are met, including: making a first-party claim for the repair or replacement of damaged motor vehicle glass under a motor vehicle insurance policy; receiving a claim or referral number for the claim; and making all the required notice disclosures described above. A repair shop can be presumed to act knowingly in violation of this provision if the motor vehicle glass repair shop engages in a regular and consistent pattern of the prohibited activity.

The bill also prohibits several other acts or practices by glass repair shops that can be characterized as unfair business practices. These include, among others:

- submitting false, misleading, or incomplete documentation or information to an insured or an insured's insurer;
- indicating that work was performed in a geographical area that was not the geographical area where the work occurred;
- advising an insured to falsify the date of damage;
- falsely signing a work order or other insurance-related form;
- misrepresent to an insured or the insured's insurer, including any agent of the insured or insurer, the price of the proposed repair or replacement;
- stating that an insured's insurer has approved the repair or replacement of damaged motor vehicle glass without verifying coverage with insurer's agent and obtaining confirmation of the coverage or approval; or
- stating that the repair or replacement of damaged motor vehicle glass will be paid for entirely by an insurer and at no cost to the insured unless the coverage has been verified by the insurer or the insurer's agent.

The bill provides that an insured that makes a first-party claim for the repair or replacement of damaged motor vehicle glass under a motor vehicle insurance policy is not required to use a particular motor vehicle glass repair shop to receive claim payments or other benefits under the policy. This is consistent with existing law under Insurance Code Section 1874.87, which provides that a consumer has the right to select an auto body repair shop for auto body damage covered by the insurance policy and that an insurer may not require this work to be done at a particular auto body repair shop.

The bill also prohibits a motor vehicle glass repair shop, or any other person who is compensated for the solicitation of insurance claims, from offering a rebate, gift, gift card, cash, coupon, fee, prize, bonus, payment, incentive, inducement, or any other thing of value to any insured, insurance producer, or other person in exchange for directing or making a claim under a motor vehicle insurance policy for the repair or replacement of damaged motor vehicle glass. Any violation of the provisions of the California Motor Vehicle Glass Act is punishable by a civil penalty that can be brought by a city attorney, district attorney, county counsel, or the Attorney General. The civil penalty for a first violation cannot exceed \$500, and for each subsequent violation it cannot exceed \$2,000.

4. Proposed amendments⁹

The author has proposed several amendments to the bill to make clarifying changes. First, the author proposes deleting the definition of “motor vehicle glass repair shop” in the bill and defining it instead as:

(e) “Motor vehicle glass repair shop” means a *person or business primarily engaged in automotive glass replacement, including the cutting, fabrication, repair, and installation of vehicle windows and windshields.*

Second, the author proposes amending the language related to prohibiting charging an insured higher fees and costs for the repair or replacement of damaged motor vehicle glass than are reasonable and customarily charged in California to instead prohibit fees and costs that are higher than a reasonable price for the repair, replacement, or installation of automotive glass charged by a motor vehicle glass repair shop within a specific geographic area.

The specific author amendments are as follows:

Amendment 1

On page 4, in line 13, strike out “person, including”, strike out lines 14 and 15 and insert:

person or business primarily engaged in automotive glass replacement, including the cutting, fabrication, repair, and installation of vehicle windows and windshields.

Amendment 2

On page 7, in line 2, strike out “are”, strike out line 3 and insert:

⁹ The amendments may include nonsubstantive changes as identified by Legislative Counsel.

a reasonable price for the repair, replacement, or installation of automotive glass charged by a motor vehicle glass repair shop within a specific geographic area.

The Committee may wish to amend the bill to make its consumer protection provisions, such as notice requirements, not only apply to an insured by also to any customer receiving glass repair or replacement under the bill. Lastly, in order to avoid any issues with nullifying existing AOBs that were entered into before the bill becomes effective, the Committee may wish to make it clear that only contracts entered into on and after the effective date of the bill are void and unenforceable.

The specific Committee amendments are as follows:

Amendment 3

On page 4, in line 39, after “entered” insert:

into on and after January 1, 2027,

Amendment 4

On page 5, in line 5, strike out “an insured” and insert:

a person

Amendment 5

On page 5, in line 7, strike out “an insured” and insert:

a person

Amendment 6

On page 5, in line 27, strike out “an insured” and insert:

a person

Amendment 7

On page 6, in line 7, strike out “an insured” and insert:

a person

Amendment 8

On page 6, in line 8, strike out “an insured” and insert:
a person

Amendment 9

On page 6, in line 11, strike out “an insured” and insert:
a person

Amendment 10

On page 6, in line 14, strike out “an insured” and insert:
a person

Amendment 11

On page 6, in line 19 strike out “an insured” and insert:
a person

Amendment 12

On page 6, in line 26, strike out “an insured” and insert:
a person

Amendment 13

On page 7, in line 1, strike out “an insured” and insert:
a person

5. Stakeholder positions

The American Property Casualty Insurance Association, National Association of Mutual Insurance Companies, the Pacific Association of Domestic Insurance Companies, and the Personal Insurance Federation of California write in support stating:

[...] Motor vehicle glass has become increasingly sophisticated, incorporating advanced technologies such as heads-up displays, embedded antennas, rain sensors, and Advanced Driver Assistance Systems (ADAS) including cameras, lane-departure sensors, and collision mitigation systems. Proper installation and calibration of these

systems is essential to ensure both vehicle safety and consumer confidence. However, the growth of Assignment of Benefits (AOB) arrangements, the used of inducements and aggressive marketing practices by some repair shops has introduced significant consumer risk. These practices can result in improper ADAS calibration, unnecessary full glass replacements (rather than repair), inflated claims, overbilling, and reduced transparency. In these instances, consumers have little visibility into the costs or quality of services performed, and their choice of repair provider is often limited or manipulated. Moreover, erroneous claims are filed, litigation costs increase for insurers only increasing insurance premiums for all Californians.

SB 988 addresses these risks through a series of reforms designed to protect consumers and establish best practices. The bill prohibits AOB for glass repair, requires repair shops to disclose whether ADAS calibration is necessary to provide written confirmation upon completion (and success), mandates good faith estimates and itemized invoices be provided to customers, and eliminates inducements that steer insureds to particular shops. [...]

The Independent Glass Association (IGA) writes in opposition unless amended stating:

We want to be clear at the outset: the IGA supports reasonable, evidence-based measures that improve consumer transparency, vehicle safety, and informed decision-making, especially with respect to advanced driver assistance systems (ADAS) and calibration requirements. However, SB 988 is not a balanced consumer protection measure. As drafted, it reflects a legislative template derived from the National Council of Insurance Legislators (NCOIL) model that has been promoted in multiple states by insurance interests and market participants that stand to benefit from greater control over the auto glass claims process, including companies like Safelite through insurer-aligned claims administration, referral pathways, and preferred network structures. [...]

SB 988 does not appear in a vacuum. It reflects a broader legislative model promoted nationally that is often framed as consumer protection or anti-fraud reform, but in practice tends to do three things:

- weaken independent shop flexibility,
- increase insurer and network control over claims handling, and
- create structural advantages for companies already aligned with insurer-driven systems. [...]

The IGA argues that the bill will harm consumers by reducing choice, creating confusion at time of loss, adding additional barriers to receiving timely repairs, and consolidating the market for insurer-aligned entities. They note that by eliminating AOB, consumers are stripped of “a lawful post-loss tool that allows their chosen shop to

help manage billing and claims resolution” and will harm small, independent businesses “based on unsupported claims that happen to align with the interests of dominant market players.”

IGA seeks a number of amendments to the bill, including:

- permit post-loss assignment of payment proceeds and limited claims-handling authority, while prohibiting pre-loss assignments to preserve consumer choice;
- allow consumers to authorize service before or after filing a claim and permit shops to assist with claim reporting;
- prohibit misrepresentation or inducement by any party, including insurers, third-party administrators, networks, or shops; and
- define reasonable and customary pricing to include multiple independent data sources reflective of the geographic market and not based solely on insurer-affiliated or network rates.

SUPPORT

American Property Casualty Insurance Association
National Association of Mutual Insurance Companies
National Insurance Crime Bureau
Pacific Association of Domestic Insurance Companies
Personal Insurance Federation of California
Safelite

OPPOSITION

Bay Area Auto Glass Express
Independent Glass Association

RELATED LEGISLATION

Pending Legislation: None known.

Prior Legislation: None known.
