CHAPTER 58

MOTOR VEHICLE GLASS REPAIR AND REPLACEMENT — INSURANCE CLAIMS — PENALTIES FOR UNFAIR TRADE PRACTICES

S.F. 573

AN ACT relating to motor vehicle glass repair, replacement, and insurance, making penalties applicable, and including applicability provisions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. NEW SECTION. **321B.1 Definitions.**

As used in this chapter:

1. *"Advanced driver assistance system"* means any motor vehicle driving automation system that performs part or all of the dynamic driving task, as described by the society of automotive engineers international taxonomy and definitions for terms related to driving automation systems for on-road motor vehicles, under SAE J3016, as revised on April 30, 2021, and that is designed to support the driver and motor vehicle in a manner intended to do all of the following:

a. Enhance motor vehicle safety.

b. Reduce losses associated with motor vehicle crashes.

2. *"Insurance producer"* means as defined in section 522B.1, and includes an agent of such producer.

3. *"Insured person"* means a person that is entitled, or may be entitled, to receive first-party benefits or payments under an insurance policy, and includes an agent of such person.

4. *"Insurer"* means as defined in section 522B.1, and includes an agent of an insurer.

5. *"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.

6. *"Motor vehicle glass repair shop"* or *"shop"* means any person who repairs or replaces damaged motor vehicle glass for consideration.

7. *"Notice"* means direct written communication including communication conducted through electronic mail, text message, or other electronic means which is directed to and easily accessible by the consumer.

8. *"Repairing or replacing damaged motor vehicle glass"* includes all of the following:

a. Inspecting, repairing, restoring, or replacing damaged motor vehicle glass.

b. Calibrating or recalibrating an advanced driver assistance system if the replacement of damaged motor vehicle glass is required.

9. *"Rights or benefits under the policy"* includes the insured person's right to receive any and all post-loss benefits or payments available or payable under an insurance policy, including but not limited to claim payments.

Sec. 2. NEW SECTION. **321B.2 Prohibited post-loss benefit assignment.**

1. Prior to or after a claimed or covered loss for repair or replacement of damaged motor vehicle glass, an insured person shall not assign, delegate, or otherwise transfer, in whole or in part, to any other person any of the following:

a. Duties under the policy.

b. Rights or benefits under the policy.

2. A contract that violates this section is void and unenforceable.

3. Nothing in this section shall be construed to prohibit an insured person from authorizing or directing payment to, or paying, a person for services, materials, or any other expense that may be or is covered under an insurance policy.

Sec. 3. NEW SECTION. **321B.3 Advanced driver assistance systems.**

1. Prior to repairing or replacing damaged motor vehicle glass for an insured person, a motor vehicle glass repair shop shall notify the insured person whether the motor vehicle has an advanced driver assistance system. If the motor vehicle has an advanced driver assistance system, the shop shall also notify the insured person of all of the following:

a. Whether calibration or recalibration of the motor vehicle's advanced driver assistance system is needed after a windshield repair or replacement, in accordance with the vehicle manufacturer's recommendations.

b. Whether the shop intends to calibrate or recalibrate the advanced driver assistance system in a manner that meets the motor vehicle manufacturer's specifications.

c. If the shop is not capable of performing, or does not intend to perform, a calibration or recalibration, the shop shall advise the insured person to take the motor vehicle to the vehicle manufacturer's certified dealership or a qualified specialist capable of performing the calibration or recalibration.

2. If calibration or recalibration of the motor vehicle's advanced driver assistance system is performed, the shop shall provide notice to the insured person of whether the calibration or recalibration was successful. If the calibration or recalibration was not successful, the shop shall advise the insured person to take the motor vehicle to the vehicle manufacturer's certified dealership or a qualified specialist capable of performing the calibration or recalibration.

Sec. 4. NEW SECTION. **321B.4 Motor vehicle glass repair claims and practices.**

1. A motor vehicle glass repair shop shall not contract with a person to repair or replace damaged motor vehicle glass to be paid for under a first-party insurance policy until verifying all of the following:

a. The insured person has made a first-party claim for repairing or replacing damaged motor vehicle glass under a motor vehicle insurance policy.

b. The shop has received a claim or referral number for the claim referenced under paragraph "*a*".

c. The requirements of section 321B.3, subsection 1, were followed.

2. A shop shall do all of the following:

a. Provide the insured person a good faith estimate of the fees and costs that are anticipated to be charged for repairing or replacing damaged motor vehicle glass.

b. Prior to performing any repair or replacement service, provide the insured person an updated estimate.

3. After repairing or replacing damaged motor vehicle glass, a shop shall provide the insured person all of the following, as applicable:

a. An itemized invoice and, upon payment, a receipt.

b. Notice that states whether the advanced driver assistance system was successfully calibrated or recalibrated.

c. If the calibration or recalibration was not successful, notice advising the insured person to not rely on the advanced driver assistance system until the system has been successfully calibrated or recalibrated by the vehicle manufacturer's certified dealership or a qualified specialist capable of performing the calibration or recalibration.

Sec. 5. NEW SECTION. **321B.5 Prohibited acts.**

1. A motor vehicle glass repair shop, and any other person who is compensated for the solicitation of insurance claims, shall not offer a rebate, gift, gift card, cash, coupon, fee, prize, bonus, payment, incentive, inducement, or any other thing of value to any insured person, insurance producer, or other person in exchange for directing or making a claim under a motor vehicle insurance policy for repair or replacement of motor vehicle glass.

2. A shop shall not do any of the following:

a. Charge unreasonable fees or costs to an insured person for repairing or replacing damaged motor vehicle glass. A fee that exceeds an amount customarily charged for such service is unreasonable.

b. Submit false, misleading, or incomplete documentation or information to an insured person or an insurer for repairing or replacing damaged motor vehicle glass.

c. Falsely sign a work order or other insurance-related form relating to an insured person's claim, or potential claim, for a repair or replacement of damaged motor vehicle glass.

d. Misrepresent the estimated fees and costs for repairing or replacing damaged motor vehicle glass to an insured person or insurer.

e. State that an insurer has approved repairing or replacing damaged motor vehicle glass unless the shop does all of the following:

(1) Verifies coverage directly with, or obtains approval directly from, the insurance producer.

(2) Obtains confirmation of the coverage or approval by any form of written or recorded communication.

f. State that repairing or replacing damaged motor vehicle glass will be paid for entirely by an insurer and at no cost to the insured person unless such coverage has been verified by the insurer.

3. With respect to an insured person's claim, or potential claim, for repairing or replacing damaged motor vehicle glass, a shop shall not do any of the following, which results, or would result, in a higher insurance payment or a change of insurance coverage status:

a. Indicate that work was performed in a geographical area that was not the geographical area where the work occurred.

b. Advise an insured person to falsify the date of damage.

4. With respect to an insured person's claim or potential claim for repairing or replacing damaged motor vehicle glass, a shop shall not do any of the following:

a. Damage, or encourage an insured person to damage, the motor vehicle in order to increase the scope of work necessary to repair or replace damaged motor vehicle glass.

b. Perform work that is clearly and substantially beyond the level of work necessary to restore the motor vehicle to a safe condition in accordance with accepted or approved reasonable and customary techniques for repairing or replacing damaged motor vehicle glass.

c. Misrepresent the shop's relationship to an insured person or an insurer.

d. Perform any other act that constitutes fraud or misrepresentation.

5. Any notice or invoice required under this chapter shall be issued using the same font and size of font as the invoice, estimate, or receipt.

Sec. 6. NEW SECTION. **321B.6 Right to choose motor vehicle glass repair shop.**

1. An insured person that makes a first-party claim for repairing or replacing damaged motor vehicle glass under a motor vehicle insurance policy shall not be required to use a particular motor vehicle glass repair shop to be paid claim payments or receive other benefits under the policy.

2. Subsection 1 shall not be construed to do any of the following:

a. Prohibit an insurer, insurance producer, insurance adjuster, or any person acting on behalf of an insurer, insurance producer, or insurance adjuster from recommending a shop or providing an explanation to an insured person of the coverage available, and any applicable liability limit, under the person's insurance policy.

b. Prohibit an insurer from maintaining a network of motor vehicle glass repair shops.

c. Create a private cause of action.

Sec. 7. NEW SECTION. **321B.7 Presumption.**

It may be presumed that a motor vehicle glass repair shop is acting knowingly in violation of section 321B.5 if the shop engages in a regular and consistent pattern of a prohibited activity.

Sec. 8. NEW SECTION. **321B.8 Penalty.**

A person who violates a provision of this chapter commits an unfair trade practice under chapter 507B.

Sec. 9. Section 507B.3, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION. 01. A person who violates a provision in chapter 321B shall be deemed to have committed an unfair trade practice under this chapter.

Sec. 10. APPLICABILITY. This Act applies to insurance policies issued or renewed on or after the effective date of this Act.

Approved May 6, 2025