

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 769

BY WAYS AND MEANS COMMITTEE

AN ACT

1 RELATING TO MOTOR VEHICLE FINANCIAL RESPONSIBILITY; AMENDING CHAPTER 12,
2 TITLE 49, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 49-1211, IDAHO
3 CODE, TO PROVIDE FOR APPRAISALS AND TO ESTABLISH A DISPUTE RESOLUTION
4 PROCESS; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Chapter 12, Title 49, Idaho Code, be, and the same is
8 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
9 ignated as Section 49-1211, Idaho Code, and to read as follows:

10 49-1211. APPRAISALS -- COMPETENT AND DISINTERESTED APPRAISERS AND UM-
11 PIRES. (1) Every automobile insurer licensed to write automobile insurance
12 policies in this state shall ensure that each policy issued, executed, re-
13 newed, or delivered to a consumer contains a provision allowing for an ap-
14 praisal by a competent and disinterested appraiser if the policyholder and
15 insurer disagree on:

- 16 (a) The actual cash value or amount of a loss, including the repairable
17 amount and total loss amount, of an automobile reported on a claim; or
- 18 (b) The offer of settlement to a third-party liability claim.

19 (2) (a) If a policyholder and an insurer disagree as to the actual cash
20 value or amount of a loss reported on a claim or disagree on the offer of
21 settlement to a third party, either the policyholder or insurer may sub-
22 mit a written demand letter to the other invoking the policy's appraisal
23 provision to select a competent and disinterested appraiser. The writ-
24 ten demand shall notify the other party of the appraiser selected. The
25 party receiving the written demand shall have twenty (20) calendar days
26 to notify the other of the appraiser selected. The parties shall be re-
27 sponsible for the cost of their own appraisal.

28 (b) An appraiser who is selected pursuant to this subsection shall,
29 within twenty (20) business days after such selection, appraise the
30 loss, stating separately the actual cash value and amount of loss, or
31 the offer of settlement, and shall deliver a copy of the appraisal to the
32 other party.

33 (3) If, following the procedures provided for in subsection (2) of this
34 section, a policyholder's appraiser and an insurer's appraiser fail to agree
35 on the actual cash value and amount of loss, or on an appropriate offer of
36 settlement, then either party may, within twenty (20) calendar days after
37 receipt of the other party's appraisal, initiate a dispute resolution pur-
38 suant to subsection (4) of this section with a competent and disinterested
39 umpire.

40 (4) If a dispute resolution is initiated, a competent and disinterested
41 umpire shall be mutually selected by the appraisers. Each party shall submit
42 documentation to the umpire memorializing the differences, including the

1 actual cash value and amount of loss as calculated by each appraiser. Within
2 twenty (20) business days after receiving the documentation submitted by
3 the parties, the umpire shall issue an award to one (1) of the appraisers
4 selected by the parties, which shall be filed with the insurer and shall be
5 considered the actual cash value or amount of loss.

6 (5) An insurer's failure to comply with the procedures of this section
7 shall be a violation of chapter 13, title 41, Idaho Code.

8 (6) The department of insurance is authorized to promulgate rules, sub-
9 ject to legislative approval, for the implementation and administration of
10 this section.

11 SECTION 2. An emergency existing therefor, which emergency is hereby
12 declared to exist, this act shall be in full force and effect on and after
13 July 1, 2026.