

## Anti-Steering Laws in the US by State

### What is "Steering" when it comes to Auto Insurance Claims?

Steering is when an Insurance carrier requires a claimant to use a specific shop or an in-network collision repair shop also referred to as DRP (Direct Repair Program).

### Why do Insurers Recommend DRP Shops?

This is widely considered as a cost-saving scheme to counter-weight unscrupulous collision repair facilities and the monopolization of car makers in providing OEM (Original Manufacturer) parts.



### Collision Repair Industry Financial Stats:

- 20 to 30% of collision repair labor is for sheet metal
- Each year there are 25 million auto claims in the US
- OEM crash part sales are about \$49 billion per year
- CAPA (Certified Aftermarket Parts) represent only about 25% of the total cosmetic crash parts market
- OEM Parts cost 62% more than CAPA parts
- Increasing CAPA market share to 50% will reduce premiums by \$109 per year
- Most sheet-metal and cosmetic CAPA parts are indistinguishable from OEM

With this kind of money on the table, the OEM industry as well as non-DRP shops lobbied many states to enact anti-steering laws.

### List of States with no Specific Restrictions or Steering Regulations

- |           |                 |             |
|-----------|-----------------|-------------|
| • Alabama | • Iowa          | • Tennessee |
| • Alaska  | • Massachusetts | • Utah      |
| • Florida | • Missouri      | • Vermont   |
| • Hawaii  | • Nebraska      | • Virginia  |
| • Idaho   | • Nevada        | • Wyoming   |
| • Indiana | • New Mexico    |             |