

By: Representative Clarke

To: Insurance

HOUSE BILL NO. 28

1 AN ACT TO AMEND SECTION 83-11-501, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT NO INSURER MAY WRITE CRITERIA BY WHICH MOTOR
3 VEHICLE REPAIR SHOPS ARE QUALIFIED FOR AN INSURER'S REFERRAL LIST;
4 TO PROVIDE THAT NO INSURER MAY OFFER OR PROPOSE ANY FORM OF A
5 REFERRAL LIST OF REPAIR SHOPS TO POLICYHOLDERS OR CLAIMANTS; AND
6 FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 SECTION 1. Section 83-11-501, Mississippi Code of 1972, is
9 amended as follows:

10 83-11-501. No insurer may require as a condition of payment
11 of a claim that repairs to a damaged vehicle, including glass
12 repairs or replacements, must be made by a particular contractor
13 or motor vehicle repair shop; provided, however, the most an
14 insurer shall be required to pay for the repair of the vehicle or
15 repair or replacement of the glass is the lowest amount that such
16 vehicle or glass could be properly and fairly repaired or replaced
17 by a contractor or repair shop within a reasonable geographical or
18 trade area of the insured.

19 No insurer may write criteria of any kind by which repair
20 shop equipment qualifying specifications may be required in order
21 to qualify any repair shop to the insurer's referral list. No
22 insurer may offer or propose any form of a referral list of repair
23 shops to policyholders or claimants.

24 SECTION 2. This act shall take effect and be in force from
25 and after July 1, 1999.