

By: Cameron

To: Insurance

HOUSE BILL NO. 884

1 AN ACT TO AMEND SECTION 83-11-501, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT NO INSURER MAY RECOMMEND A PARTICULAR CONTRACTOR
3 FOR AUTOMOBILE GLASS REPAIR; TO PROVIDE THAT NO INSURER SHALL
4 ESTABLISH AN AGREEMENT FOR THE PROCESSING OF CLAIMS OR BILLS WITH
5 A GLASS BROKER; TO PROVIDE THAT GLASS REPAIR SHOPS SHALL BE PAID
6 THE SAME AS BODY SHOPS; AND 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. (1) No insurer may recommend a particular
11 contractor or may require as a condition of payment of a claim
12 that repairs to a damaged vehicle, including glass repairs or
13 replacements, must be made by a particular contractor or motor
14 vehicle repair shop; provided, however, the most an insurer shall
15 be required to pay for the repair of the vehicle or repair or
16 replacement of the glass is the lowest amount that such vehicle or
17 glass could be properly and fairly repaired or replaced by a
18 contractor or repair shop within a reasonable geographical or
19 trade area of the insured.

20 (2) No insurer shall establish an agreement for the
21 processing of claims or bills with a glass broker or with an
22 entity that has a financial interest in an entity in this state
23 that installs or provides glass for installation. For purposes of

24 this subsection, the term "glass broker" means an automobile glass
25 company that acts as a third-party agent for the insurer whenever
26 the glass broker enters into agreements with other automobile
27 glass dealers to perform glass replacement or glass repair work or
28 that installs or manufactures glass or provides glass for
29 installation.

30 (3) Insurers shall pay glass repair shops the same labor
31 rate hours as paid to body shops for glass repairs based on the
32 Mitchell Book Labor Rate Hours.

33 SECTION 2. This act shall take effect and be in force from
34 and after July 1, 2000.