

By: Representative Robinson (63rd)

To: Insurance

HOUSE BILL NO. 850

1 AN ACT TO AMEND SECTION 83-11-501, MISSISSIPPI CODE OF 1972,
2 TO PROHIBIT INSURERS FROM RECOMMENDING A PARTICULAR MOTOR VEHICLE
3 REPAIR SHOP OR CONTRACTOR TO THE INSURED; TO PROVIDE PENALTIES FOR
4 VIOLATIONS; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 83-11-501, Mississippi Code of 1972, is
7 amended as follows:

8 83-11-501. No insurer may require as a condition of payment
9 of a claim that repairs to a damaged vehicle, including glass
10 repairs or replacements, must be made by a particular contractor
11 or motor vehicle repair shop; provided, however, the most an
12 insurer shall be required to pay for the repair of the vehicle or
13 repair or replacement of the glass is the lowest amount that such
14 vehicle or glass could be properly and fairly repaired or replaced
15 by a contractor or repair shop within a reasonable geographical or
16 trade area of the insured. No insurer shall recommend a
17 particular motor vehicle repair shop or a particular contractor to
18 an insured who is making a claim under his policy and submitting
19 bids for motor vehicle body damage or repair. For a violation of
20 this section, the offender shall be guilty of a misdemeanor and,
21 upon conviction, shall be punished by a fine of not more than Five
22 Thousand Dollars (\$5,000.00) in accordance with Section 83-5-85.

23 **SECTION 2.** This act shall take effect and be in force from
24 and after July 1, 2002.

