By: Representative Compretta

To: Transportation

## HOUSE BILL NO. 1308

AN ACT TO AMEND SECTION 63-27-7, MISSISSIPPI CODE OF 1972, TO 1 REQUIRE THE INSURER OF A MOTOR VEHICLE THAT HAS SUSTAINED PHYSICAL 2 3 DAMAGE TO NOTIFY THE INSURED WHENEVER THE INSURER INTENDS TO SPECIFY THE USE OF NONORIGINAL REPLACEMENT PARTS; TO PROHIBIT A 4 MOTOR VEHICLE REPAIR FACILITY FROM USING NONORIGINAL REPLACEMENT 5 б PARTS WITHOUT THE VEHICLE OWNER'S WRITTEN PERMISSION; TO CREATE A 7 NEW SECTION 63-27-9, MISSISSIPPI CODE OF 1972, TO PROHIBIT AN 8 INSURER FROM UNILATERALLY REQUIRING USE OF NONORGIGINAL REPLACEMENT PARTS WHEN REPAIRING CERTAIN AGE VEHICLES; TO CREATE 9 NEW SECTION 63-27-11, MISSISSIPPI CODE OF 1972, TO PROHIBIT AN 10 INSURER WHEN MAKING A PAYMENT INCIDENT TO A MOTOR VEHICLE DAMAGE 11 CLAIM FROM REQUIRING AS A CONDITION OF PAYMENT THAT THE REPAIRS BE 12 MADE AT A PARTICULAR REPAIR FACILITY OR IN ACCORDANCE WITH A 13 CERTAIN METHOD; TO CREATE NEW SECTION 63-27-13, MISSISSIPPI CODE 14 OF 1972, TO PRESCRIBE PENALTIES FOR VIOLATIONS OF THIS ACT; TO 15 CREATE NEW SECTION 63-27-15, MISSISSIPPI CODE OF 1972, TO PROVIDE 16 THAT THE PROVISIONS OF CHAPTER 27, TITLE 63, MISSISSIPPI CODE OF 17 1972, SHALL BE SEVERABLE; AND FOR RELATED PURPOSES. 18

- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 19
- 20 SECTION 1. Section 63-27-7, Mississippi Code of 1972, is
- amended as follows: 21

22	63-27-7. In addition to the provision expressed in Section
23	63-27-5, whenever an insurer, in adjusting a first party claim for
24	motor vehicle physical damage, intends to specify the use of
25	nonoriginal replacement parts, it shall notify the insured in
26	writing. Any repair facility conducting business in the State of
27	Mississippi shall not use nonoriginal replacement parts in the
28	repair of any person's automobile without that person giving the
29	repairer his or her express written consent.
30	SECTION 2. The following shall be codified as Section
31	63-27-9, Mississippi Code of 1972:
32	<u>63-27-9.</u> No insurer may require the use of nonoriginal
33	replacement parts when negotiating repairs with any repairer
34	unless the repairer has written consent from the vehicle owner to
35	install aftermarket parts. The provisions of this section shall
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36 apply only to automobiles which are less than thirty (30) months 37 beyond the date of manufacture.

38 SECTION 3. The following shall be codified as Section 39 63-27-11, Mississippi Code of 1972:

40 <u>63-27-11.</u> When making a payment incident to a claim, no 41 insurer shall require that as a condition to such payment repairs 42 be made to a motor vehicle in a particular place or by a 43 particular repair facility, nor shall any such insurer dictate to 44 the repair facility or repair facility or repairer the method and 45 manner to be used in the repair of the motor vehicle.

46 SECTION 4. The following shall be codified as Section
47 63-27-13, Mississippi Code of 1972:

48 <u>63-27-13.</u> Failure to comply with the provisions of this 49 chapter shall render the repairer, insurer and repair facility 50 subject to the provisions of Chapter 24, Title 75, Mississippi 51 Code of 1972, including all criminal and civil penalties found 52 therein and any other applicable penal statutes.

53 **SECTION 5.** The following shall be codified as Section 54 63-27-15, Mississippi Code of 1972:

55 <u>63-27-15.</u> The provisions of this chapter are severable. If 56 any part of this chapter is declared invalid or unconstitutional, 57 such declaration shall not affect the part which remains.

58 **SECTION 6.** This act shall take effect and be in force from 59 and after July 1, 2006.