

By: Senator(s) Carmichael

To: Insurance; Judiciary,
Division A

SENATE BILL NO. 2819

1 AN ACT TO AMEND SECTION 83-65-103, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE DEFINITION OF CERTAIN TERMS USED IN THE MISSISSIPPI
3 VEHICLE SERVICE CONTRACTS LAW TO CLARIFY THE SERVICES COVERED
4 UNDER SUCH CONTRACTS; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 83-65-103, Mississippi Code of 1972, is
7 amended as follows:

8 83-65-103. For the purposes of this chapter:

9 (a) "Commissioner" means the Commissioner of Insurance.

10 (b) "Service contract holder" means a person who
11 purchases or otherwise obtains a vehicle service contract.

12 (c) "Vehicle service contract" means a contract or
13 agreement that undertakes to perform or provide repair or
14 replacement service, or provide payment for that service, for the
15 operational or structural failure of a motor vehicle due to a
16 defect in materials, workmanship or normal wear and tear, with or
17 without additional provision for incidental payment or indemnity
18 under limited circumstances, including, but not limited to,
19 towing, rental and emergency road service. "Vehicle service



20 contract" also means a contract or agreement that undertakes to
21 perform or provide one or more of the following services:

22 (i) The repair or replacement of tires, wheels, or
23 both, on a motor vehicle damaged as a result of coming into
24 contact with road hazards;

25 (ii) The removal of dents, dings or creases on a
26 motor vehicle that can be repaired using the process of paintless
27 dent removal without affecting the existing paint finish and
28 without replacing vehicle body panels, sanding, bonding or
29 painting;

30 (iii) The repair of chips or cracks in or the
31 replacement of motor vehicle windshields as a result of damage
32 caused by road hazards;

33 (iv) The replacement of a motor vehicle key or
34 key-fob if the key or key-fob becomes inoperable or is lost or
35 stolen;

36 (v) Other services which may be approved by the
37 commissioner, if not inconsistent with other provisions of this
38 chapter.

39 (d) "Provider" means a person who issues, makes or
40 provides a vehicle service contract.

41 (e) "Reimbursement insurance policy" means a policy of
42 insurance providing reimbursement coverage for all services which
43 the provider is legally obligated to provide under the terms of
44 vehicle service contracts issued or sold by the provider.



45 (f) "Road hazard" means a hazard that is encountered
46 while driving a motor vehicle and which may include, but not be
47 limited to, potholes, rocks, wood debris, metal parts, glass,
48 plastic, curbs or composite scraps.

49 (* * *g) "Services" means the repair, replacement or
50 maintenance of property or indemnification for repair, replacement
51 or maintenance for the operational or structural failure of a
52 motor vehicle due to a defect in materials, workmanship or normal
53 wear and tear.

54 **SECTION 2.** This act shall take effect and be in force from
55 and after July 1, 2019.

