

By: Senator(s) Robinson, Rhodes

To: Insurance

SENATE BILL NO. 2745

1 AN ACT TO AMEND SECTION 83-11-501, MISSISSIPPI CODE OF 1972,  
 2 TO PROVIDE THAT THE MOST AN INSURER SHALL BE REQUIRED TO PAY FOR  
 3 THE REPAIR OF A VEHICLE OR REPAIR OR REPLACEMENT OF GLASS IS THE  
 4 PREVAILING MARKET AMOUNT THAT SUCH VEHICLE OR GLASS COULD BE  
 5 PROPERLY, FULLY AND FAIRLY REPAIRED OR REPLACED BY A CONTRACTOR OR  
 6 REPAIR SHOP WITHIN A REASONABLE GEOGRAPHICAL OR TRADE AREA OF THE  
 7 INSURED; TO REQUIRE REPAIRS BE PERFORMED PURSUANT TO OEM REPAIR  
 8 PROCEDURES WITH OEM PARTS; TO PROHIBIT INSURERS FROM SOLICITING A  
 9 REFERRAL FEE IN EXCHANGE FOR REFERRING AN INSURED TO A REPAIR  
 10 FACILITY; TO PROHIBIT AN INSURER FROM SUGGESTING TO AN INSURED  
 11 THAT THE INSURED MUST USE A SPECIFIC REPAIR FACILITY; TO SET  
 12 CERTAIN OTHER REQUIREMENTS; TO PROVIDE THAT IN THE CASE OF A  
 13 VIOLATION OF THIS ACT, AN INSURER MAY BE PENALIZED; AND FOR  
 14 RELATED PURPOSES.

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

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

18 83-11-501. No insurer may require as a condition of payment  
 19 of a claim that repairs to a damaged vehicle, including glass  
 20 repairs or replacements, must be made by a particular contractor  
 21 or motor vehicle repair shop; provided, however, the most an  
 22 insurer shall be required to pay for the repair of the vehicle or  
 23 repair or replacement of the glass is the prevailing market amount  
 24 that such vehicle or glass could be properly, fully and fairly



25 repaired or replaced by a contractor or repair shop within a  
26 reasonable geographical or trade area of the insured. A proper  
27 repair is performed pursuant to the original equipment  
28 manufacturers' ("OEM") repair procedures and using OEM or OEM  
29 equivalent parts that have been properly tested pursuant to or  
30 meet the manufacturer's specifications.

31 (2) In connection with the repair of damage to a motor  
32 vehicle covered under an automobile insurance policy, an insurer,  
33 an employee or agent of an insurer, an insurance adjuster, or an  
34 entity that employs an insurance adjuster may not:

35 (a) Solicit or accept a referral fee or gratuity in  
36 exchange for referring an insured or third-party claimant to a  
37 repair person or facility to repair the damage;

38 (b) State or suggest, either orally or in writing, to  
39 an insured that the insured must use a specific repair person or  
40 facility or a repair person or facility identified on a preferred  
41 list compiled by an insurer for the damage repair or parts  
42 replacement to be covered by the policy; or

43 (c) Restrict the right of an insured or third-party  
44 claimant to choose a repair person or facility by requiring the  
45 insured or third-party claimant to travel an unreasonable distance  
46 to repair the damage.

47 (3) The insurer of a motor vehicle shall clearly and  
48 prominently display the provisions of subsection (1) and (2) of



49 this section on the face of the insurance policy or certificate in  
50 lieu of an insurance policy.

51 (4) In the case of a violation of this article, an insurer  
52 may be penalized in accordance with Section 83-5-85.

53 **SECTION 2.** This act shall take effect and be in force from  
54 and after July 1, 2024.

