

By: Senator(s) Robinson

To: Insurance

SENATE BILL NO. 2411

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 FOR WHICH 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 THAT REPAIRS BE PERFORMED PURSUANT TO THE
8 ORIGINAL EQUIPMENT MANUFACTURER'S ("OEM") REPAIR PROCEDURES WITH
9 OEM PARTS; TO PROHIBIT INSURERS FROM SOLICITING A REFERRAL FEE IN
10 EXCHANGE FOR REFERRING AN INSURED TO A REPAIR FACILITY; TO
11 PROHIBIT AN INSURER FROM SUGGESTING TO AN INSURED THAT THE INSURED
12 MUST USE A SPECIFIC REPAIR FACILITY; TO SET CERTAIN OTHER
13 REQUIREMENTS; TO PROVIDE THAT, IN THE CASE OF A VIOLATION OF THIS
14 ACT, AN INSURER MAY BE PENALIZED; AND FOR 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. (1) No insurer may require as a condition of
19 payment of a claim that repairs to a damaged vehicle, including
20 glass repairs or replacements, must be made by a particular
21 contractor or motor vehicle repair shop; provided, however, the
22 most an insurer shall be required to pay for the repair of the
23 vehicle or repair or replacement of the glass is the prevailing
24 market amount * * * for which such vehicle or glass could be



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

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

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

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

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

(3) The insurer of a motor vehicle shall clearly and 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, 2025.

