

By: Representative Lane

To: Insurance

HOUSE BILL NO. 1446

1 AN ACT TO REQUIRE INSURANCE COMPANIES TO PAY A CERTAIN  
2 REPLACEMENT VALUE FOR PROPERTY THAT IS DAMAGED OR DESTROYED; AND  
3 FOR RELATED PURPOSES.

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

5 **SECTION 1.** (1) For purposes of this section, "adjuster"  
6 means any person who, as an independent contractor, or as an  
7 employee of an independent contractor, adjustment bureau,  
8 association, insurance company or corporation, managing general  
9 agent or self-insured, investigates or adjusts losses on behalf of  
10 either an insurer or a self-insured, or any person who supervises  
11 the handling of claims.

12 (2) If an insured, who has coverage with an insurer doing  
13 business in this state, carries full replacement coverage and the  
14 insured's property is damaged or destroyed, the insurer shall pay  
15 the full replacement or repair value as determined herein and not  
16 only the amount on a bill or invoice depicting the amount that the  
17 insured paid to repair or replace the property.

18 (3) After an adjuster, as defined in subsection (1) of this  
19 section, has placed a value on the damaged or destroyed property,  
20 the insured may solicit up to three (3) additional estimates on  
21 the value of the property. The insurer is then required to pay  
22 the full repair or replacement value of the damaged or destroyed  
23 property. The repair or replacement value is determined by taking  
24 an average of the value amounts stated in the three (3) or less  
25 estimates acquired by the insured.

26 **SECTION 2.** This act shall take effect and be in force from  
27 and after July 1, 2006.