HOUSE BILL No. 5646

April 18, 2000, Introduced by Reps. Daniels, Switalski, Clark, Quarles, Gosselin, Richardville, Hale, DeHart and Lemmons and referred to the Committee on Insurance and Financial Services.

A bill to amend 1956 PA 218, entitled

"The insurance code of 1956,"

(MCL 500.100 to 500.8302) by adding section 2110b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   SEC. 2110B. (1) AN AUTOMOBILE INSURANCE POLICY AND AN AUTO-

2 MOBILE INSURER AND ITS EMPLOYEES, AGENTS, AND ADJUSTERS SHALL NOT

3 DO EITHER OF THE FOLLOWING:

4   (A) INTIMIDATE, INDUCE, RECOMMEND, SUGGEST, OR REQUIRE AN

5 INSURED TO USE A PARTICULAR PERSON, PLACE, SHOP, OR ENTITY FOR

6 THE PROVIDING OF ANY AUTOMOBILE REPAIR OR AUTOMOBILE GLASS REPAIR

7 OR REPLACEMENT SERVICE OR PRODUCT COVERED BY THE POLICY.

8   (B) INTIMIDATE, INDUCE, RECOMMEND, SUGGEST, OR REQUIRE AN

9 INSURED TO USE A PARTICULAR BRAND, TYPE, KIND, AGE, OR CONDITION

10 OF PARTS FOR A PART OR GLASS COVERED BY THE POLICY.

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1   (2) AN AUTOMOBILE INSURER SHALL FULLY AND PROMPTLY PAY FOR

2 THE COST OF ANY COVERED AUTOMOBILE REPAIR SERVICE OR PRODUCT

3 INCLUDING GLASS REPAIR OR REPLACEMENT LESS ANY APPLICABLE DEDUCT-

4 IBLE AT NOT LESS THAN THE PREVAILING OR GENERALLY FOUND MARKET

5 PRICE IN THE AREA FOR SIMILARLY SITUATED AUTOMOBILE REPAIR OR

6 AUTOMOBILE GLASS REPAIR OR REPLACEMENT SERVICES OR PRODUCTS. THE

7 PREVAILING OR GENERALLY FOUND MARKET PRICE IN THE AREA SHALL NOT

8 BE LIMITED TO THE LOWEST PRICE AND SHALL NOT TAKE INTO CONSIDERA-

9 TION ANY SPECIAL PRICE OR SERVICE ARRANGEMENT OFFERED BY THE PAR-

10 TICULAR PERSON, PLACE, SHOP, OR ENTITY. AN AUTOMOBILE INSURER

11 SHALL NOT FAIL TO FULLY AND PROMPTLY PAY FOR THE COST OF ANY COV-

12 ERED AUTOMOBILE REPAIR OR AUTOMOBILE GLASS REPAIR OR REPLACEMENT

13 SERVICE OR PRODUCT BECAUSE OF AN INSURED'S SELECTION OF A PARTIC-

14 ULAR PERSON, PLACE, SHOP, OR ENTITY TO PROVIDE THE COVERED AUTO-

15 MOBILE REPAIR OR AUTOMOBILE GLASS REPAIR OR REPLACEMENT SERVICE

16 OR PRODUCT.