

HOUSE BILL No. 4558

April 17, 2001, Introduced by Reps. Daniels, Phillips, Hansen, Neumann and Hardman 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.

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.