

Fiscal Analysis

PROHIBITIONS ON AUTO REPAIR RESTRICTIONS BY INSURER: AGREEMENT DISCLOSURE



Bill/Sponsor **HOUSE BILL 4127 (H-3)**, Rep. Kenneth R. Daniels

House Committee Insurance

Analysis

Summary

House Bill 4127 would amend the Insurance Code by prohibiting auto insurers from unreasonably restricting an insured's use of a particular repair person/shop or particular product that is covered by the policy. An auto insurer may enter into an agreement with a repair shop but must disclose to the insured the existence of the agreement and inform the insured that there is no requirement to use that particular person or facility. The Office of Financial and Insurance Services shall develop a plan to inform consumers of their rights covered under this bill.

Fiscal Impact

There would be no fiscal impact on local units of government by this bill. The fiscal impact on State government would be difficult to determine tending towards negligible. Department of Consumer & Industry Services staff indicated that the consumer information component could be a small cost.

Analyst(s)

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FLOOR ANALYSIS - 11/26/03

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