



**House  
Legislative  
Analysis  
Section**

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**AUTO INSURANCE: INSURED CAN  
CHOOSE REPAIR SHOP**

**House Bill 4127**

**Sponsor: Rep. Ken Daniels**

**Committee: Insurance**

**Complete to 3-21-03**

**A SUMMARY OF HOUSE BILL 4127 AS INTRODUCED 1-30-03**

The bill would amend Chapter 21 of the Insurance Code to prohibit an automobile insurance policy or an auto insurer and its employees, agents, and adjusters from:

- Intimidating, inducing, recommending, suggesting, or requiring an insured to use a particular person, place, shop, or entity for the providing of any automobile repair or glass repair or replacement service or product covered by the policy; or
- Intimidating, inducing, recommending, suggesting, or requiring an insured to use a particular brand, type, kind, age, or condition of parts for a part or for glass covered by the policy.

The bill also would require an insurer to fully and promptly pay for the cost of any covered automobile repair service or product, including glass repair and replacement, at not less than the prevailing or generally found market price in the area for similarly situated auto repair or auto glass repair or replacement services or products. Such a market price could not be limited to the lowest price and could not take into consideration any special price or service arrangement offered by the particular person, place, shop, or entity.

Also under the bill, an auto insurer could not fail to fully or promptly pay for the cost of any covered auto repair or glass repair or replacement or service because of an insured's selection of a particular person, place, shop, or entity to provide the covered repair or replacement service or product.

MCL 550.22110b

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