

HOUSE BILL No. 4127

January 30, 2003, Introduced by Reps. Daniels, Smith, Woodward, Pumford and Anderson and referred to the Committee on Insurance.

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
2 automobile insurer and its employees, agents, and adjusters shall
3 not 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.

11 (2) An automobile insurer shall fully and promptly pay for

1 the cost of any covered automobile repair service or product
2 including glass repair or replacement less any applicable
3 deductible at not less than the prevailing or generally found
4 market price in the area for similarly situated automobile repair
5 or automobile glass repair or replacement services or products.
6 The prevailing or generally found market price in the area shall
7 not be limited to the lowest price and shall not take into
8 consideration any special price or service arrangement offered by
9 the particular person, place, shop, or entity. An automobile
10 insurer shall not fail to fully and promptly pay for the cost of
11 any covered automobile repair or automobile glass repair or
12 replacement service or product because of an insured's selection
13 of a particular person, place, shop, or entity to provide the
14 covered automobile repair or automobile glass repair or
15 replacement service or product.