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CHOICE OF AUTO REPAIR SHOP

House Bill 4924
Sponsor: Rep. Kirk Profit
Committee: Insurance

Complete to 9-21-93

A SUMMARY OF HOUSE BILL 4924 AS INTRODUCED 7-1-93

The bill would amend the Insurance Code to prohibit an automobile insurance policy and an automobile insurance company, its employees, agents, and adjustors from:

-- intimidating, inducing, recommending, suggesting, or requiring an insured to use a particular person, place, shop, or entity for the providing of any auto repair service or product covered by the policy; and

-- intimidating, inducing, recommending, suggesting, or requiring an insured to use a particular brand, type, kind, age, or condition of parts for a part covered by the policy.

The bill also would require an auto insurer to fully and promptly pay for the cost of any covered automobile repair service or product (less any applicable deductible) at not less than the prevailing or generally found market price in the area for similarly situated auto repair services or products. That price could not be limited to the lowest price and could not take into consideration any special price or service arrangement offered by a particular person, place, shop or entity. An auto insurer could not fail to fully and promptly pay for the cost of a covered repair service or product because of a customer's selection of a particular person, place, shop, or entity.

MCL 500.3133

House Bills 4924 (9-21-93)