

SECOND REGULAR SESSION

SENATE BILL NO. 868

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SHOEMYER.

Pre-filed December 1, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

3505S.03I

AN ACT

To amend chapter 379, RSMo, by adding thereto one new section relating to the unfair trade practice of an insurance company failing to follow standards set forth in industry recognized repair manuals or automated appraisal systems when appraising a damaged vehicle.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 379, RSMo, is amended by adding thereto one new section, to be known as section 379.108, to read as follows:

379.108. 1. Any of the following acts, if committed by an insurer, as defined in section 379.110, shall constitute an unfair trade practice as defined by sections 375.930 to 375.948, RSMo, and shall be subject to all of the provisions and penalties provided by such sections:

(1) Modifying any published manual or any automatic appraisal system relating to auto body repair without prior agreement between the parties;

(2) Failing to use a manual or automatic appraisal system in its entirety in the appraisal of a motor vehicle; or

(3) Refusing to compensate an auto body shop or auto body repair facility for documented charges as identified through industry recognized software programs or automated systems for paint and refinishing materials in auto body repair claims.

2. The provisions of this section shall not be construed to interfere with an auto body repair facility's contract with an insurer. If an insurer and auto body repair facility have contracted under a direct repair program or any similar program thereto, the provisions of this section shall not apply.

3. If the insured or claimant elects to have the vehicle repaired

20 at an auto body repair shop or facility of his or her choice, the insurer
21 shall not limit or discount the reasonable repair costs based upon the
22 charges that would have been incurred had the vehicle been repaired
23 by the insurer's chosen shops.

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