

# SENATE BILL No. 636

July 16, 2003, Introduced by Senators OLSHOVE, LELAND, SCOTT, PATTERSON, JACOBS, BRATER, CLARK-COLEMAN, BERNERO, CHERRY, SCHAUER, BARCIA, BASHAM, GILBERT and CLARKE and referred to the Committee on Banking and Financial Institutions.

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