

SENATE BILL No. 269

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-4-1.5-14.

Synopsis: Repairs under auto insurance policies. Prohibits a motor vehicle insurer from unreasonably restricting an insured's access to motor vehicle glass repair or replacement facilities. Allows a motor vehicle insurer to enter into agreements with motor vehicle glass repair or replacement facilities for cost containment purposes. Prohibits a motor vehicle insurer from requiring unreasonable travel to obtain repair or replacement of a motor vehicle. Requires a motor vehicle insurer's estimate to be in an amount expected to satisfactorily repair damages and to be provided to the insured. Requires a motor vehicle insurer to cause repair of a motor vehicle to its previous condition without additional costs and within a reasonable time. Provides that violation of these provisions is an unfair claim settlement practice.

Effective: July 1, 1999.

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January 7, 1999, read first time and referred to Committee on Insurance and Financial Institutions.

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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

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SENATE BILL No. 269



A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 27-4-1.5-14 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 1999]: **Sec. 14. (a) A motor vehicle insurer authorized to do**
- 4 **business in Indiana may not unreasonably restrict an insured's**
- 5 **access to motor vehicle glass repair or replacement facilities.**
- 6 **(b) A motor vehicle insurer may enter into an agreement with**
- 7 **a motor vehicle glass repair or replacement facility for the purpose**
- 8 **of containing the cost of motor vehicle glass repair or replacement**
- 9 **claims.**
- 10 **(c) A motor vehicle insurer may not require an insured to travel**
- 11 **unreasonably to:**
- 12 **(1) inspect a replacement motor vehicle;**
- 13 **(2) obtain a repair estimate; or**
- 14 **(3) have the motor vehicle repaired at a specific repair shop.**
- 15 **(d) If a motor vehicle insurer prepares an estimate of the cost of**
- 16 **motor vehicle repairs, the estimate must be in an amount**
- 17 **reasonably expected to cover satisfactory repair of the damage.**



1 **The motor vehicle insurer shall provide a copy of the estimate to**
2 **the insured and may furnish to the insured the name of one (1) or**
3 **more conveniently located repair shops.**
4 **(e) When a motor vehicle insurer elects to repair a motor vehicle**
5 **and designates a specific repair shop for motor vehicle repairs, the**
6 **insurer shall cause the damaged motor vehicle to be restored to its**
7 **condition prior to the loss:**
8 **(1) at no additional cost to the insured other than as stated in**
9 **the policy; and**
10 **(2) within a reasonable period of time.**
11 **(f) Violation of any provision of this section is an unfair claim**
12 **settlement practice under IC 27-4-1-4.5.**

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