

HOUSE RESEARCH

Bill Summary

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Subject: Auto repair insurance claims

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Overview

This bill deals with the extent to which an automobile insurance company may influence the decision as to which repair shop is used to repair an insured's vehicle. This is similar to the issue the legislature has dealt with in past years regarding auto glass shops.

Section

- 1 Standards for automobile insurance claims handling, settlement offers, and agreements.** Prohibits auto insurers from coercing or inducing an insured to have the insured's vehicle repaired at a particular repair shop. Provides a script that insurers must use to tell the insured that Minnesota law requires the insurer to pay the reasonable cost of repairs at any repair shop the insured chooses. Permits the insurer to recommend a repair shop only if the insured indicates no preference.
- 2 Effective date.** Provides an immediate effective date.