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Printed Page No. **206**

State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE NO. 1949

March 12, 2007

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The bill was read for the first time and referred to the Committee on Commerce and Labor

March 27, 2007

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

1.1 A bill for an act
1.2 relating to commerce; regulating conduct of an insurer in collision cases;
1.3 amending Minnesota Statutes 2006, section 72B.092, subdivision 1.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2006, section 72B.092, subdivision 1, is amended to read:

1.6 Subdivision 1. **Prohibitions on insurer.** No adjuster or insurer, director, officer,
1.7 broker, agent, attorney-in-fact, employee, or other representative of an insurer shall
1.8 in collision cases:

1.9 (a) limit the freedom of an insured or claimant to choose the shop;

1.10 (b) require that an insured or claimant present the claim or the automobile for loss
1.11 adjustment or inspection at a "drive-in" claim center or any other similar facility solely
1.12 under the control of the insurer;

1.13 (c) engage in boycotts, intimidation or coercive tactics in negotiating repairs to
1.14 damaged motor vehicles which they insure or are liable to claimants to have repaired; ~~or~~

1.15 (d) attempt to secure, except in an emergency, the insured's or claimant's signature
1.16 authorizing the party securing the signature to act in behalf of the insured or claimant in
1.17 selection of a repair shop facility;

1.18 (e) adjust a damage appraisal of a repair shop when the extent of damage is in
1.19 dispute without conducting a physical inspection of the vehicle; or

1.20 (f) specify the use of a particular vendor for the procurement of parts or other
1.21 materials necessary for the satisfactory repair of the vehicle. This clause does not require
1.22 the insurer to pay more than a reasonable market price for parts of like kind and quality in
1.23 adjusting a claim.