



**STATE OF MISSISSIPPI**  
Mississippi Insurance Department

**GEORGE DALE**  
Commissioner of Insurance  
State Fire Marshal

**RONALD E. HANNA**  
Deputy Commissioner

1804 Walter Sillers Building (39201)  
Post Office Box 79  
Jackson, Mississippi 39205-0079  
(601) 359-3569  
FAX (601) 359-2474  
<http://www.doi.state.us>

August 27, 1998

Bulletin No. 98-7

Bulletin to All Licensed Property/Casualty Companies

RE: **Miss. Code Ann. § 83-11-501 (Requirement that repairs be made at particular shop prohibited; insurer's payment of lowest fair amount in geographic or trade area.)**

All insurance companies writing automobile coverage in the state of Mississippi are directed to undertake a comprehensive legal review of internal policies and practices to determine if they are in compliance with both the letter and intent of Miss. Code Ann. § 83-11-501.

**Miss. Code Ann. § 83-11-501 (Requirement that repairs be made at particular shop prohibited; insurer's payment of lowest fair amount in geographic or trade area.)** states that:

"No insurer may require as a condition of payment of a claim that repairs to a damaged vehicle, including glass repairs or replacements, must be made by a particular contractor or motor vehicle repair shop; provided, however, the most an insurer shall be required to pay for the repair of the vehicle or repair or replacement of the glass is the lowest amount that such vehicle or glass could be properly and fairly repaired or replaced by a contractor or repair shop within a reasonable geographical or trade area of the insured."

All insurance companies writing automobile coverage in the state of Mississippi that have not already done so are directed to initiate comprehensive training programs and auditing procedures to ensure that all professional activities of adjusters and claims personnel are conducted in compliance with both the intent and letter of Miss. Code Ann. § 83-11-501.

A handwritten signature in cursive script that reads "George Dale".

\_\_\_\_\_  
GEORGE DALE  
COMMISSIONER OF INSURANCE