

HB 600 -- Missouri Vehicle Protection Product Act

Sponsor: Schlottach

This bill establishes the Missouri Vehicle Protection Product Act relating to vehicle protection devices installed on or applied to vehicles to prevent loss or damage from a specific cause, including a warranty for the product. In its main provisions, the bill:

- (1) Requires vehicle protection product warrantors to be registered with the Department of Insurance, Financial Institutions, and Professional Registration and to keep accurate accounts, books, and records concerning transactions regulated by the Missouri Vehicle Protection Product Act;
- (2) Prohibits a vehicle protection product warrantor from using in its name, contracts, or literature the words "insurance," "casualty," "surety," or "mutual" unless licensed as an insurance company;
- (3) Prohibits a person from selling or offering for sale a vehicle protection product warranty unless it clearly states the terms and conditions governing the cancellation of the sale and warranty; and
- (4) Prohibits any person from selling or offering for sale any vehicle protection product unless the warrantor acquires insurance under a warranty reimbursement insurance policy or maintains a net worth or stockholder's equity of \$50 million.

The bill becomes effective January 1, 2008.