

HB 1976 -- SERVICE CONTRACTS

SPONSOR: Gosen

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Property, Casualty, and Life Insurance by a vote of 8 to 1. Voted "Do Pass with HCS" by the Select Committee on Insurance by a vote of 10 to 1.

This bill expands the definition of "motor vehicle extended service contract" to include a contract or agreement for a repair of certain road hazard damages, replacement of a vehicle key or key fob when inoperable, stolen or lost, or other services approved by the Director of the Department of Insurance, Financial Institutions and Professional Registration.

The bill also specifies that a refund of the service contract after the required free look period may be through a service contract provider or its specified designee.

PROPOSERS: Supporters say that the bill will expand services that a motor vehicle extended service contract can offer which will be good for the consumer.

Testifying for the bill were Representative Gosen; Service Contract Industry Council; Missouri Bankers; Heartland Credit Union Association; Missouri Insurance Coalition; and Missouri Auto Dealers Association.

OPPOSERS: There was no opposition voiced to the committee.