

Prior law provided it was an unfair method of competition, as well as unfair and deceptive, for insurers to establish a contract or agreement with any company to arrange for insurance repairs, where the insurer and repair company agree to a price for repair that would allow the insurer to retain a percentage of the repair costs.

Prior law further provided it was an unfair method of competition, as well as unfair and deceptive, for an insurer to establish a contract or agreement with any individual or company to manage, subcontract, broker, or arrange insurance repair for any glass repair or replacement on a motor vehicle.

The La. Supreme Court in *Globe Glass & Mirror Co. v. Brown*, 917 F. Supp. 447 (E.D. La 1996) declared that the practice of limiting with which company an insurer may contract for repairs is an impermissible violation of the dormant Commerce Clause and is unconstitutional.

New law repeals prior law declared to be unconstitutional in the case of *Globe Glass & Mirror Co. v. Brown* in its entirety.

Effective August 1, 2012.

(Repeals R.S. 22:1965 and 1966)