

2026 Regular Session

SENATE BILL NO. 511

BY SENATOR CATHEY

AUTOMOBILE INSURANCE. Requires transparency of automobile repairs. (8/1/26)

1 AN ACT

2 To enact R.S. 22:1289.2, relative to transparency of automobile repairs; to prohibit insurers  
3 from steering policyholders; to provide for duties of a repair shop; to provide for  
4 insurer liability; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1289.2 is hereby enacted to read as follows:

7 **§1289.2. Automobile repairs; insurers prohibition; liability transparency for**  
8 **repair shops; insurer liability**

9 **A. As used in this Section, "steering" means any communication by an**  
10 **insurer to a policyholder or third-party claimant to directly or indirectly**  
11 **influence a policyholder or third-party claimant or provide the policyholder or**  
12 **third-party claimant with the option to use an automobile repair shop that is a**  
13 **preferred carve-out or is in a strategic relationship with the insurer or in which**  
14 **the insurer maintains an ownership interest or controls or contracts with to**  
15 **provide automobile repairs to its policyholders.**

16 **B. An insurer shall disclose the following to a policyholder or third-party**  
17 **claimant:**

1                   **(1) The right to choose his own repair shop and services.**

2                   **(2) Preferred repair shops and services are optional and not a condition**  
3 **of payment of a claim.**

4                   **C. An insurer is prohibited from any of the following:**

5                   **(1) Offering incentives or discounts to policyholders or third-party**  
6 **claimants for using preferred shops.**

7                   **(2) Requiring policyholders or third-party claimants to use preferred**  
8 **repair shops or service providers.**

9                   **(3) Steering policyholders or third-party claimants toward preferred**  
10 **repair shops or service providers.**

11                   **D.(1) A repair shop shall disclose when nonoriginal equipment**  
12 **manufacturer parts (non-OEM) or nonstandard parts are used in making**  
13 **repairs.**

14                   **(2)(a) A repair shop shall obtain written consent from policyholders or**  
15 **third-party claimants before using non-OEM parts or nonstandard parts in**  
16 **making repairs.**

17                   **(b) The written consent shall include a signed release by the policyholder**  
18 **or third-party claimant acknowledging the risks and accepting liability for the**  
19 **use of nonOEM or nonstandard parts in making repairs.**

20                   **(3) If the insurer pressures the policyholder or third-party claimant into**  
21 **accepting substandard repairs through the use of non-OEM or nonstandard**  
22 **parts, liability for any resulting safety issues shall reside with the insurer.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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DIGEST

SB 511 Original                    2026 Regular Session                    Cathey  
Proposed law provides transparency for automobile repairs.

Proposed law prohibits insurers from steering policyholders or third-party claimants toward preferred repair shops or services.

Proposed law requires repair shops to obtain the consent of policyholders and third-party

claimants prior to using nonrecommended services or parts.

Proposed law requires repair shops to disclose when non-OEM parts or nonstandard parts are used. Further requires repair shops to obtain written consent and waiver of liability for use of non-OEM parts or nonstandard parts.

Proposed law places liability for any ensuing safety issues on the insurer for pressuring a policyholder or third-party claimant to accept substandard repairs.

Effective August 1, 2026.

(Adds R.S. 22:1289.2)