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INSURER SUSPECTS ARSON/THEFT: REMEDIES FOR INSURED

House Bill 4680

Sponsor: Rep. Raymond Basham

**Committee: Insurance and Financial
Services**

Complete to 8-22-00

A SUMMARY OF HOUSE BILL 4680 AS INTRODUCED 5-13-00

The bill would amend the Insurance Code to require an insurance company to notify the appropriate fire or law enforcement authority of its suspicions when the company was refusing to pay for loss or damage under an automobile or home insurance policy because of suspicions that the insured was involved in arson or theft concerning the loss or damage.

If an insured prevailed after a trial in an action recover under an insurance policy after the insurer had refused to pay based on suspicions of arson or theft, the court would award to the insured all costs and expenses in bringing the action, including but not limited to reasonable and actual attorney fees and court costs.

MCL 500.2128

House Bill 4680 (8-22-00)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.