

# SENATE BILL No. 1218

April 9, 2002, Introduced by Senators BYRUM, GARCIA and MILLER and referred to the Committee on Financial Services.

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
(MCL 500.100 to 500.8302) by adding section 3149.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 3149. AN INSURER OBLIGATED TO PAY BENEFITS OR CLAIMS  
2 UNDER AN AUTOMOBILE INSURANCE POLICY HAS A DUTY TO DEAL FAIRLY  
3 AND IN GOOD FAITH WITH AN INSURED CLAIMING THE BENEFITS. AN  
4 INSURER THAT BREACHES THIS DUTY TO DEAL FAIRLY AND IN GOOD FAITH  
5 IS LIABLE FOR COMPENSATORY, CONSEQUENTIAL, AND EXEMPLARY DAMAGES  
6 PROXIMATELY CAUSED BY THE BREACH.