

SENATE BILL No. 1219

April 9, 2002, Introduced by Senators BYRUM, GARCIA, MILLER and DE BEAUSSAERT 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 2203.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 2203. AN INSURER OBLIGATED TO PAY BENEFITS OR CLAIMS
2 UNDER A PROPERTY AND CASUALTY INSURANCE POLICY HAS A DUTY TO DEAL
3 FAIRLY AND IN GOOD FAITH WITH AN INSURED CLAIMING THE BENEFITS.
4 AN INSURER THAT BREACHES THIS DUTY TO DEAL FAIRLY AND IN GOOD
5 FAITH IS LIABLE FOR COMPENSATORY, CONSEQUENTIAL, AND EXEMPLARY
6 DAMAGES PROXIMATELY CAUSED BY THE BREACH.