

# SENATE BILL No. 1138

March 31, 2004, Introduced by Senators SCOTT, BRATER, SCHAUER, JACOBS, LELAND, THOMAS, BASHAM, CLARK-COLEMAN, SWITALSKI, PRUSI, BARCIA and CLARKE and referred to the Committee on Banking and Financial Institutions.

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.