

HOUSE BILL No. 4914

June 8, 1989, Introduced by Reps. Saunders, Clack, Joe Young, Sr., Watkins, Kosteva, Martin, Nye, Gire, Kilpatrick, Wallace, Gubow, Owen, Murphy, Emerson, DeMars, Varga, Stupak, Webb, Terrell, Scott, Stallworth, Keith, Hunter, Berman, Pitoniak, Ostling, Perry Bullard, Leland, Joe Young, Jr., Porreca, Spaniola, Jondahl, Hollister, Bennane, Barns, Bankes and Runco and referred to the Committee on Insurance.

A bill to amend Act No. 218 of the Public Acts of 1956,
entitled as amended

"The insurance code of 1956,"

as amended, being sections 500.100 to 500.8302 of the Michigan
Compiled Laws, by adding section 3105a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 218 of the Public Acts of 1956, as
2 amended, being sections 500.100 to 500.8302 of the Michigan
3 Compiled Laws, is amended by adding section 3105a to read as
4 follows:

5 SEC. 3105A. AN INSURER LIABLE TO PAY PERSONAL PROTECTION
6 INSURANCE BENEFITS UNDER THIS CHAPTER HAS A DUTY TO DEAL FAIRLY
7 AND IN GOOD FAITH WITH ITS INSURED, ANY PERSON ENTITLED TO
8 RECEIVE PERSONAL PROTECTION INSURANCE BENEFITS UNDER A POLICY
9 ISSUED TO ITS INSURED, OR ANY PERSON ENTITLED TO RECEIVE PERSONAL

1 PROTECTION INSURANCE BENEFITS FROM THE INSURER UNDER THE
2 PROVISIONS OF THIS CHAPTER. THE FIDUCIARY DUTY IMPOSED BY THIS
3 SECTION IS DEEMED TO INVOLVE MATTERS OF MENTAL CONCERN AND
4 SOLICITUDE. A BREACH OF THE DUTY TO DEAL FAIRLY AND IN GOOD
5 FAITH SUBJECTS THE INSURER TO LIABILITY IN TORT FOR ANY DAMAGES
6 PROXIMATELY ARISING THEREFROM AND FOR PUNITIVE DAMAGES.