

# HOUSE BILL No. 4744

May 8, 2001, Introduced by Reps. Minore, Wojno, O'Neil, Basham, Bovin, Hale, Clark, Bogardus, Rich Brown, Kolb, Jacobs, Dennis, Daniels, Rison and Lemmons and referred to the Committee on Insurance and 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.