

# HOUSE BILL No. 5020

May 28, 2009, Introduced by Reps. Valentine, Roberts, Slavens, Haugh, Haase, Liss, Kennedy, Huckleberry, Lisa Brown, Scripps, Robert Jones and Barnett and referred to the Committee on Insurance.

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. AN**  
4           **INSURER THAT BREACHES THIS DUTY TO DEAL FAIRLY AND IN GOOD FAITH IS**  
5           **LIABLE FOR COMPENSATORY, CONSEQUENTIAL, AND EXEMPLARY DAMAGES**  
6           **PROXIMATELY CAUSED BY THE BREACH.**