

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative(s) Johnson offered the following:

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3 **Amendment (with title amendment)**

4 Between lines 1296 and 1297, insert:

5 Section 17. (1) All property insurance contracts issued
6 in this state shall include the following provisions:

7 (a) Property insurers shall reimburse all claims or any
8 portion of any claim from an insured or an insured's assignees,
9 for payment under a property insurance policy, within 60 days
10 after receipt of notice of the claim by the property insurer. If
11 a claim or a portion of a claim is contested by the property
12 insurer, the insured and the insured's assignees shall be
13 notified in writing that the claim is contested or denied,
14 within 60 days after receipt of the notice of claim by the
15 property insurer. The notice that a claim is contested shall

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16 specifically identify the contested portion of the claim and the
17 specific reasons for contesting the claim.

18 (b) A property insurer, upon receipt of the additional
19 information requested from the insured or the insured's
20 assignees, shall pay or deny the contested claim or portion of
21 the contested claim within 90 days.

22 (c) An insurer shall pay or deny any claim no later than
23 120 days after receiving notice of the claim.

24 (d) Payment shall be treated as being made on the date a
25 draft or other valid instrument which is equivalent to payment
26 was placed in the United States mail in a properly addressed,
27 postpaid envelope, or, if not so posted, on the date of
28 delivery.

29 (e) All overdue payments shall bear simple interest at the
30 rate of 10 percent per year.

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32 In the event of a violation of this section, the insurer is
33 liable to the insured or an insured's assignees for incidental
34 and consequential damages in addition to any other damages
35 permitted by law.

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38 ===== T I T L E A M E N D M E N T =====

39 Between lines 107 and 108 insert:
40 specifying required provisions in property insurance
41 contracts; imposing liability on insurers for damages for
42 specified violations;

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