

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 647
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Property and Casualty” and substitute “Homeowner’s”; in line 4, strike “from using” and substitute “, based solely on”; in line 5, strike “to take” and substitute “, from taking”; in lines 6 and 12, in each instance, strike “property and casualty” and substitute “homeowner’s”; in line 7, strike “an” and substitute “a certain”; and in line 8, after “circumstances;” insert “authorizing an insurer to exclude certain property from coverage; providing that an insurer making a certain payment shall have the right of subrogation against a certain perpetrator; providing that this Act does not require a payment in excess of certain limits, prohibit an insurer from applying certain standards, or prohibit an insurer or insurance producer from asking certain individuals about a certain claim or from using certain information for certain purposes;”.

AMENDMENT NO. 2

On page 2, in line 24, strike “PERSON” and substitute “POLICYHOLDER OR CLAIMANT”; in line 27, strike “USE” and substitute “, BASED SOLELY ON”; in line 29, strike “TO”; in line 31, strike “PROPERTY AND CASUALTY” and substitute “HOMEOWNER’S”; in lines 32 and 33, strike “PROPERTY AND CASUALTY” and substitute “HOMEOWNER’S”; and in line 33, after the semicolon, insert “OR”.

AMENDMENT NO. 3

On page 3, strike beginning with “INCREASE” in line 1 down through “(4)” in line 3; in lines 3 and 6, in each instance, strike “PROPERTY AND CASUALTY” and substitute “HOMEOWNER’S”; in line 3, after “INSURANCE,” insert “INCREASE A PREMIUM,”; strike beginning with “OR” in line 4 down through “ACCOUNT” in line 5 and substitute “RETIER A POLICY, REMOVE A DISCOUNT, OR TAKE ANY OTHER”.

(Over)

ADVERSE UNDERWRITING OR RATING ACTION"; in line 8, after "PAYMENT" insert "FOR A LOSS"; in the same line, after "TO" insert "A VICTIM WHO:

(I) IS";

in the same line, strike "WHO" and substitute ";

(II)";

strike beginning with "COOPERATE" in line 8 down through "OF" in line 9 and substitute "COMMIT, CAUSE TO BE COMMITTED, OR DIRECT THE CRIME OF VIOLENCE LEADING TO"; in line 9, strike "IF:" and substitute "; AND"; strike in their entirety lines 10 through 12, inclusive, and substitute:

"(III) COOPERATES IN ANY CRIMINAL INVESTIGATION, INCLUDING THE FILING OF AN OFFICIAL POLICE REPORT, AND IF UNDERTAKEN, ANY PROSECUTION OF THE PERPETRATOR.";

strike in their entirety lines 14 and 15 and substitute "THE AMOUNT OF THE LOSS UP TO THE HOMEOWNER'S INSURANCE POLICY LIMITS, LESS ANY APPLICABLE DEDUCTIBLE AND COINSURANCE AND ANY PAYMENT TO ANY SECURED PARTY.";

after line 15, insert:

"(3) AN INSURER MAY EXCLUDE PROPERTY OWNED SOLELY BY THE PERPETRATOR FROM COVERAGE UNDER THE POLICY OF HOMEOWNER'S INSURANCE.

(4) AN INSURER MAKING PAYMENT TO THE INNOCENT COINSURED UNDER THIS SECTION SHALL HAVE THE RIGHT OF SUBROGATION

AGAINST THE PERPETRATOR WHO COMMITTED, CAUSED TO BE COMMITTED, OR DIRECTED THE CRIME OF VIOLENCE LEADING TO THE LOSS.

(D) THIS SECTION DOES NOT:

(1) REQUIRE PAYMENT IN EXCESS OF A HOMEOWNER'S INSURANCE POLICY LIMITS;

(2) PROHIBIT AN INSURER FROM APPLYING REASONABLE STANDARDS OF PROOF OF A CLAIM; OR

(3) PROHIBIT AN INSURER OR INSURANCE PRODUCER FROM:

(I) ASKING AN APPLICANT, A POLICYHOLDER, OR A CLAIMANT ABOUT A CLAIM UNDER THIS SECTION; OR

(II) USING INFORMATION OBTAINED BY INVESTIGATION TO EVALUATE A CLAIM AND EXERCISE THE INSURER'S RIGHTS AND PERFORM ITS DUTIES.”;

and in line 22, strike “and contracts of property and casualty” and substitute “of homeowner's”.