

FOR the purpose of authorizing ~~an insured, in a certain civil action between an insured and an insurer, to recover certain damages, expenses and litigation costs, and interest computed at a certain rate and from a certain date, and actual compensatory damages, if the court finds that the insurer failed to act in good faith acted in bad faith; requiring an insured to send a certain notice to the insurer before filing a certain civil action; providing for the application and construction of this Act; and generally relating to the liability of an insurer for failure to act in good acting in bad faith~~ the recovery of actual damages, expenses, litigation costs, and interest in first-party claims against property and casualty insurers under certain circumstances; providing that the interest is to be computed at a certain rate and from a certain date; requiring a clerk of a court to file a copy of certain verdicts and other dispositions with the Maryland Insurance Administration; providing that a failure to act in good faith under certain circumstances constitutes an unfair claim settlement practice for certain purposes; providing for certain penalties; providing for certain restitution in certain proceedings under certain circumstances; providing for certain procedures; providing for a certain appeal to a circuit court from a final decision under certain circumstances; providing for the tolling of certain limitations under certain circumstances; requiring the Administration to report annually on certain matters to the General Assembly on or before a certain date; defining certain terms; providing for the application of this Act; and generally relating to certain proceedings concerning property and casualty insurers who fail to act in good faith in settling a first-party claim under certain circumstances.

BY repealing and reenacting, with amendments,

Article 1 – Rules of Interpretation

Section 32

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY adding to

Article – Courts and Judicial Proceedings

Section 3–1701 to be under the new subtitle “Subtitle 17. Liability of Insurer”;

and 5–118

Annotated Code of Maryland

(2006 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Insurance

Section 27–303(7) and (8), 27–304(16) and (17), and 27–305(a) and (c)

Annotated Code of Maryland

(2006 Replacement Volume and 2006 Supplement)

BY adding to

Article – Insurance