

SECOND REGULAR SESSION

HOUSE BILL NO. 1742

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KRATKY.

5763L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 379, RSMo, by adding thereto one new section relating to earthquake insurance.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 379, RSMo, is amended by adding thereto one new section, to be known as section 379.1605, to read as follows:

379.1605. 1. On or after January 1, 2015, every insurer authorized by the director to write homeowners' insurance or dwelling-owners' insurance upon property within this state shall make available, for an appropriate additional premium, coverage for earthquake losses on any structure, including contents of personal property contained therein, to the extent provided in the policy to which the earthquake coverage attaches. Such earthquake insurance coverage may be offered as part of the underlying insurance policy or as an endorsement or rider.

2. Insurers offering policies that exclude coverage for earthquake losses shall inform policyholders in bold type of not less than fourteen points as follows: "YOUR POLICY DOES NOT PROVIDE COVERAGE FOR EARTHQUAKE LOSSES. YOU MAY PURCHASE ADDITIONAL COVERAGE FOR EARTHQUAKE LOSSES FOR AN ADDITIONAL PREMIUM."

3. As used in this section, unless otherwise clearly indicated by the context, the following words mean:

(1) "Dwelling-owners' insurance", shall have the same meaning assigned to it in section 374.400;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (2) "Homeowners' insurance", shall have the same meaning assigned to it in section
18 374.400;

19 (3) "Insurer", any insurance company, reciprocal or inter-insurance exchange,
20 licensed and authorized by the director to write homeowners' insurance or
21 dwelling-owners' insurance upon property located within this state.

22 4. Upon receipt of a claim for an earthquake loss, an insurer shall investigate the
23 claim by making an inspection of the insured's premises to determine if there has been
24 physical damage to the structure that may be the result of earthquake activity.

25 5. The director may promulgate rules for the purposes of administering and
26 enforcing the provisions of this section. Any rule or portion of a rule, as that term is
27 defined in section 536.010, that is created under the authority delegated in this section shall
28 become effective only if it complies with and is subject to all of the provisions of chapter
29 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and
30 if any of the powers vested with the general assembly pursuant to chapter 536 to review,
31 to delay the effective date, or to disapprove and annul a rule are subsequently held
32 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
33 after August 28, 2014, shall be invalid and void.

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