

HB 714 -- INSURANCE CONTRACTS

SPONSOR: Engler

This bill provides that an insurer must have refused the opportunity to unconditionally defend an insured person before someone with an unliquidated claim for damages against the insured person may enter into a contract to limit their recovery to certain assets or insurance policies of the insured and provides that in a subsequent action against the insurer where the judgment is offered as proof of liability or damages, the insurer shall have the right to challenge the reasonableness of the prior judgment and factual and legal determinations affecting coverage.