

HB 182 -- INTEREST RATES ON PAYMENTS

SPONSOR: Shull (16)

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Insurance Policy by a vote of 17 to 0. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 7 to 0.

Currently, if the Director of the Department of Insurance, Financial Institutions and Professional Registration determines that an insurance company should pay interest upon any claims, refunds, or payments due to an examination, investigation, settlement agreement, or other action that the interest charged shall be determined as provided in Section 32.065, RSMo, not to exceed 9%.

This bill includes under this provision insurance companies who voluntarily pay interest on any claim, refund, penalty or payment in which the interest rate is not provided for by law.

PROPONENTS: Supporters say that this bill will allow insurance companies to voluntarily pay interest on claims to do so at a lower interest rate which will help consumers get their claims paid off sooner.

Testifying for the bill were Representative Shull; Missouri Insurance Coalition; and American Property Casualty Insurers.

OPPONENTS: There was no opposition voiced to the committee.