

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 295 (Senator Forehand, et al.)
Judicial Proceedings

Civil Actions - Liability of Insurer for Damages, Costs, and Expenses

This bill allows an insured to recover all costs and expenses, including attorney's fees, from an insurer in a civil action to determine insurance coverage or entitlement to payment for a covered loss, if the court finds in favor of the insured. It also provides that a prevailing insured may recover up to three times the amount that should have been paid under the policy if the insurer acts in bad faith or without reasonable justification in denying coverage or failing to make a payment under the policy.

Fiscal Summary

State Effect: None. The bill does not directly affect governmental operations or finances.

Local Effect: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Maryland Insurance Administration, Department of Fiscal Services

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