

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 1030 (Delegate Doorv. *et al.*)

Judiciary and Economic Matters

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

This bill allows an insured to recover costs and expenses, including reasonable 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 interest at double the legal rate on costs and expenses incurred by the insured from the date the claim was submitted. The bill provides that these provisions may not be construed to limit the right to maintain an action for damages otherwise available.

The bill is to be construed prospectively only; it would not apply to a cause of action arising before October 1, 1998, the bill's effective date.

Fiscal Summary

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

Local Effect: None.

Small Business Effect: Potential minimal.

Information Source(s): Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History: First Reader - March 9, 1998
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