

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 474

93RD GENERAL ASSEMBLY

Reported from the Committee on Insurance Policy March 9, 2005 with recommendation that House Committee Substitute for House Bill No. 474 Do Pass by Consent. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

Reported from the Committee on Rules March 10, 2005 with recommendation that House Committee Substitute for House Bill No. 474 Do Pass by Consent with no time limit for debate.

Objection filed March 17, 2005, Rule 44(b).

Taken up for Perfection April 26, 2005. House Committee Substitute for House Bill No. 474 ordered Perfected and printed.

STEPHEN S. DAVIS, Chief Clerk

1448L.02P

AN ACT

To amend chapter 506, RSMo, by adding thereto one new section relating to right of intervention by insurers in certain civil actions.

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

Section A. Chapter 506, RSMo, is amended by adding thereto one new section, to be
2 known as section 506.400, to read as follows:

**506.400. 1. When a civil action is filed in the courts of this state and an insurer may
2 be obligated to provide a defense to such action or indemnity for any judgment rendered
3 therein, such insurer shall have the right to intervene in such action and request the court
4 to determine the extent of the insurer's coverage obligations.**

**5 2. If an insurer does intervene, the court shall finally determine the extent of
6 coverage before proceeding with the merits of the underlying action. The court's judgment
7 as to coverage shall be considered final and subject to appeal even if issues related to the
8 underlying action remain adjudicated.**

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.

9 **3. Notwithstanding any other provision of law to the contrary, if an insurer**
10 **proceeds in the manner prescribed in this section, the insurer's actions shall not constitute**
11 **a breach, either present or anticipatory, of any contract of insurance.**