

HB 2049 -- CIVIL ACTIONS

SPONSOR: Coleman (97)

This bill provides that any arbitration award shall not be enforceable against insurers, as defined in the bill, unless the insurer has agreed in writing to the arbitration proceeding or agreement. Unless otherwise required by contract, an insurer's election to not participate in arbitration shall not constitute bad faith. These provisions shall not apply to any arbitration awards arising out of an arbitration agreement preceding the date of injury or loss.

Before a judgment may be entered against a tort-feasor who has entered into a contract to limit judgments to specified assets, the bill requires written notice to the insurer or insurers of the pendency or later filing of the civil action where that judgment is sought, in addition to the current requirement to provide written notice of the contract. The bill specifies that the insurer or insurers have the unconditional right to intervene in any pending civil action involving the claim for damages within 30 days of receiving the later of either such notice.

This bill provides that insurers intervening in a court proceeding where the defendant has contracted to limit his or her liability to specified assets shall have all the same rights as are afforded to defendants. These provisions shall not alter or reduce an intervening insurer's obligations to any insureds other than the tort-feasor, including any co-insureds.

This bill is similar to HB 120 (2019) and SB 726 (2020).