

BAD FAITH BLOG

Missouri Legislation for Insurers to Watch For in 2023

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The Regular Session of the 102nd General Assembly began on January 4 and will adjourn on May 12. In the first month of the Session, the General Assembly has introduced several bills which insurers may want to keep an eye on. This legislation includes some of the Bills discussed below, which relate to potentially amending Missouri's "time-limited demand to settle" statute and the minimum automobile liability property damage limits, imposing disclosure requirements regarding flood insurance, and creating a statutory cause of action for wrongful convictions.

- H.B. 1009 would amend RSMo. § 537.058, which is Missouri's "time-limited demand to settle" statute that was enacted in 2017. The current version of the statute specifies the requirements a "time-limited demand to settle" must meet in order to be considered as a reasonable opportunity to settle for the insurer and admissible in a lawsuit alleging extracontractual damages against the tort-feasor's liability insurer. The proposed amendment in H.B. 1009 would replace references to "time-limited demands" with references to "settlement demands."
- H.B. 107 would increase the minimum automobile liability insurance limits for property damage from \$25,000 to \$35,000.
- S.B. 487 would require insurers selling policies in Missouri covering losses to real or personal property to provide insureds with information regarding flood insurance, the insured zip code's flood history, and, further, detail all water coverages being offered in a summary or declarations page. This bill is presumably a result of the historic flash flooding event in the St. Louis area in July 2022.
- S.B. 146 would create a statutory cause of action for wrongful convictions against the State with damages to be paid from the state legal expense fund. The claim would be tried without a jury and set damages at \$179/day of imprisonment but no more than \$65,000/fiscal year.

Stay tuned this spring to both see which of these Bills, if any, make their way into law, and keep an eye out for any additional proposed legislation of interest to insurers.