

SECOND REGULAR SESSION

# SENATE BILL NO. 722

89TH GENERAL ASSEMBLY

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INTRODUCED BY SENATORS SIMS AND BENTLEY.

Read 1st time January 14, 1998, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S2741.03I

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## AN ACT

To amend chapter 375, RSMo, by adding thereto one new section relating to consideration of domestic violence in insurance policies, with an effective date.

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

Section A. Chapter 375, RSMo, is amended by adding thereto one new section, to be known as section 375.996, to read as follows:

**375.996. 1. As used in this section, the following terms shall have the meanings given:**

**(1) "Domestic violence", the occurrence of one or more of the following acts between family or household members:**

**(a) Attempting to cause or intentionally or knowingly causing bodily injury or physical harm;**

**(b) Knowingly engaging in a course of conduct or repeatedly committing acts toward another person, including following the person without proper authority, under circumstances that place the person in reasonable fear of bodily injury or physical harm; or**

**(c) Knowingly committing forcible rape, sexual assault or forcible sodomy as defined in chapter 566, RSMo;**

**(2) "Family or household member", a spouse, a former spouse, person living with another person whether or not as spouses, parent or other adult person related by consanguinity or affinity, who is residing or has resided with the person committing the domestic violence and dependents of such persons;**

**(3) "Insured", a party named on a policy, certificate or health benefit plan as the person with legal rights to the benefits provided by the policy, certificate or health benefit plan. For group insurance, "insured" includes a person who is a beneficiary**

**covered by a group policy, certificate or health benefit plan;**

**(4) "Insurer", any insurance company, association, reciprocal or interinsurance exchange, not for profit hospital plan, not for profit professional health service plan, health maintenance organization, fraternal benefit society, beneficial association or health services corporation as defined in section 354.010, RSMo;**

**(5) "Policy", a contract of insurance, certificate, indemnity, suretyship or annuity issued, proposed for issuance or intended for issuance by an insurer, including endorsements or riders to an insurance policy or contract.**

**2. No insurer shall do any of the following on the sole basis of the status of an insured or prospective insured as a victim of domestic violence:**

**(1) Deny, cancel or refuse to issue or renew an insurance policy;**

**(2) Require a greater premium, deductible or any other payment;**

**(3) Exclude or limit coverage for losses or deny a claim;**

**(4) Designate domestic violence as a preexisting condition for which coverage will be denied or reduced;**

**(5) Terminate group coverage because of claims relating to domestic violence against any individual in the group; or**

**(6) Fix any lower rate or discriminate in the fees or commissions of an agent for writing or renewing a policy.**

**3. The fact that an insured or prospective insured is or has been a victim of domestic violence shall not be considered a permitted underwriting or rating criterion.**

**4. Where an insurance policy excludes property coverage for intentional acts, the insurer shall not deny payment to an innocent coinsured who did not cooperate in or contribute to creation of the loss if the loss arose out of a pattern of criminal domestic violence and the perpetrator of the loss is criminally prosecuted for the act causing the loss. Payment to the innocent coinsured may be limited to his or her ownership interest in the property net of any payments to the mortgagor or other secured interest.**

**5. Nothing in this section shall prohibit an insurer from taking an action described in subsection 2 of this section if the action is otherwise permissible by law and is taken in the same manner and to the same extent with respect to all insureds and prospective insureds without regard to whether the insured or prospective insured is a victim of domestic violence.**

**6. An insurer that complies in good faith with the requirements of this section shall not be subject to civil liability due to such compliance.**

**7. Violation of this section shall be an unfair trade practice and shall be subject to the provisions of, and penalties provided by, sections 375.930 to 375.948, RSMo, relating to unfair trade practices.**

**8. The director of insurance shall conduct a reasonable investigation based on a written and signed complaint received by the director and issue a prompt determination as to whether a violation of this section has occurred. If the director finds from the investigation that a violation of this section may have occurred, the director shall promptly begin proceedings to address the violation through means such as suspension or revocation of certificates of authority or licenses, imposition of civil penalties, imposition of injunctive relief, requiring restitution, referral to prosecutorial authorities or any combination of these. The powers and duties set forth in this section are in addition to all other authority of the director.**

Section B. The provisions of this act shall become effective on January 1, 1999.

Unofficial

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