

SB1812



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB1812

Introduced 2/15/2019, by Sen. John G. Mulroe

SYNOPSIS AS INTRODUCED:

215 ILCS 5/155

from Ch. 73, par. 767

Amends the Insurance Code. Provides that a court shall consider a delay in a company's settling of an insurance-related claim that exceeds 120 days prima facie evidence that such delay is vexatious and unreasonable.

LRB101 10934 RAB 56099 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 155 as follows:

6 (215 ILCS 5/155) (from Ch. 73, par. 767)

7 Sec. 155. Attorney fees.

8 (1) In any action by or against a company wherein there is
9 in issue the liability of a company on a policy or policies of
10 insurance or the amount of the loss payable thereunder, or for
11 an unreasonable delay in settling a claim, and it appears to
12 the court that such action or delay is vexatious and
13 unreasonable, the court may allow as part of the taxable costs
14 in the action reasonable attorney fees, other costs, plus an
15 amount not to exceed any one of the following amounts:

16 (a) 60% of the amount which the court or jury finds
17 such party is entitled to recover against the company,
18 exclusive of all costs;

19 (b) \$60,000;

20 (c) the excess of the amount which the court or jury
21 finds such party is entitled to recover, exclusive of
22 costs, over the amount, if any, which the company offered
23 to pay in settlement of the claim prior to the action.

1 (2) Where there are several policies insuring the same
2 insured against the same loss whether issued by the same or by
3 different companies, the court may fix the amount of the
4 allowance so that the total attorney fees on account of one
5 loss shall not be increased by reason of the fact that the
6 insured brings separate suits on such policies.

7 (3) The court shall consider a delay in a company's
8 settling of a claim that exceeds 120 days prima facie evidence
9 that such delay is vexatious and unreasonable.

10 (Source: P.A. 93-485, eff. 1-1-04.)