

Accompanying the thirty-fourth recommendation of the Office of Consumer Affairs and Business Regulation (House, No. 19). Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Seven.

AN ACT INCREASING PENALTIES FOR UNFAIR AND DECEPTIVE ACTS AND PRACTICES IN THE BUSINESS OF INSURANCE.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 M.G.L. Chapter 176D, section 7 is amended by striking the first
2 paragraph and inserting in place thereof the following:—

3 If after such hearing, the commissioner shall determine that the
4 person charged has engaged in an unfair or deceptive act or prac-
5 tice, he shall reduce his findings to writing and shall issue and
6 cause to be served upon the person charged with the violation a
7 copy of such findings and an order requiring such person to cease
8 and desist from engaging in such method of competition, act or
9 practice and further the commissioner may suspend or in the case
10 of repeated violations revoke the license of such a person and
11 impose conditions for the reinstatement thereof. In addition, who-
12 ever commits such an act or practice shall be punished by a fine of
13 not more than five thousand dollars for each and every violation,
14 in addition to any other penalties provided by law. The amount of
15 the fine imposed shall be in the discretion of the commissioner.

16 In addition to any other powers provided in this section, the
17 commissioner may order that restitution be made by any person
18 determined by the commissioner to have engaged in an unfair or
19 deceptive act or practice to any person who has suffered actual
20 economic damage as a result of a violation of this chapter.

