

SENATE BILL No. 146

February 15, 1989, Introduced by Senators GEO. HART,
HOLMES, KELLY, MILLER, O'BRIEN, FAUST and CHERRY
and referred to the Committee on Commerce and
Technology.

A bill to amend Act No. 218 of the Public Acts of 1956,
entitled as amended

"The insurance code of 1956,"

as amended, being sections 500.100 to 500.8302 of the Michigan
Compiled Laws, by adding section 2010.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 218 of the Public Acts of 1956, as
2 amended, being sections 500.100 to 500.8302 of the Michigan
3 Compiled Laws, is amended by adding section 2010 to read as
4 follows:

5 SEC. 2010. AN UNFAIR METHOD OF COMPETITION AND AN UNFAIR OR
6 DECEPTIVE ACT OR PRACTICE IN THE BUSINESS OF INSURANCE INCLUDES
7 AN INSURER PROVIDING A COMMISSION OR OTHER COMPENSATION TO THE
8 INSURER'S REPRESENTATIVE OR AGENT PURSUANT TO THE SALE OR SERVICE
9 OF A DISABILITY POLICY OR RIDER ISSUED TO AN INDIVIDUAL ELIGIBLE

1 FOR MEDICARE, INCLUDING A POLICY PROVIDING MEDICARE SUPPLEMENTAL
2 COVERAGE OR LONG-TERM CARE COVERAGE, UNLESS THE AMOUNT OF THE
3 COMMISSION OR COMPENSATION PAID IN THE FIRST YEAR OF THE POLICY
4 IS NOT MORE THAN THE AMOUNT OF THE COMMISSION OR COMPENSATION
5 WHICH THE INSURER'S REPRESENTATIVE OR AGENT RECEIVES IN THE 2
6 SUBSEQUENT, CONSECUTIVE RENEWAL PERIODS FOR THE POLICY.