

SENATE BILL No. 273

April 5, 1989, Introduced by Senator FAUST and referred
to the Committee on Commerce and Technology.

A bill to amend section 2430 of Act No. 218 of the Public
Acts of 1956, entitled as amended
"The insurance code of 1956,"
being section 500.2430 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2430 of Act No. 218 of the Public Acts
2 of 1956, being section 500.2430 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 2430. (1) In lieu of the filing requirements of this
5 chapter and as an alternative method of filing, ~~any~~ AN insurer
6 or, EXCEPT FOR FILINGS CONCERNING RATES, rating organization may
7 file with the commissioner any manual of classification, rules or
8 rates, any rating plan, and every modification of any of the
9 foregoing which it proposes to use, the filing to indicate the
10 character and extent of the coverage contemplated. Every ~~such~~

1 filing under this section shall state the effective date
2 ~~thereof~~ OF THE FILING, shall take effect on ~~said~~ THAT date,
3 shall not be subject to any waiting period requirements, and
4 shall be deemed to meet the requirements of section 2403 (1)
5 (d). ~~(rate standards)~~. A filing and any supporting information
6 shall be open to public inspection, if the filing is not
7 disapproved.

8 (2) At any time within 15 days from and after the date of
9 ~~any such~~ A filing UNDER SUBSECTION (1), the commissioner may
10 give written notice to the insurer or rating organization making
11 ~~such~~ THE filing, specifying in what respect and to what extent
12 he OR SHE contends ~~such~~ THE filing fails to comply with the
13 requirements of section 2403 (1) (d) and fixing a date for hear-
14 ing not less than 10 days from the date of THE mailing of ~~such~~
15 THE notice. At ~~such~~ THE hearing the factors specified in sec-
16 tion 2406 (1) shall be considered. If the commissioner after
17 hearing finds that the filing does not comply with the provisions
18 of this chapter, he OR SHE may issue ~~his~~ AN order determining
19 ~~wherein~~ WHERE and to what extent ~~such~~ THE filing is ~~deemed~~
20 ~~to be~~ improper and fixing a date, ~~thereafter,~~ within a reason-
21 able time, after which ~~such~~ THE filing shall no longer be
22 effective. ~~Any~~ AN order of disapproval under this section must
23 be entered within 30 days of the date of the filing affected.

24 (3) ~~In the event that no~~ IF A notice of hearing ~~shall be~~
25 IS NOT issued within 15 days from the date of ~~any such~~ A filing
26 UNDER SUBSECTION (1), the filing shall be deemed to be approved.
27 If ~~such~~ THE filing ~~shall be~~ IS disapproved, the insuring

1 provisions of ~~any~~ A contract or policy issued prior to the time
2 the order becomes effective shall not be affected. But if the
3 commissioner disapproves ~~such~~ THE filing as not being in com-
4 pliance with section 2403 (1) (d), ~~-(rate standards)-~~ he OR SHE
5 may order an adjustment of the premium to be made with the poli-
6 cyholder either by refund or collection of additional premium, if
7 the amount is substantial and equals or exceeds the cost of
8 making the adjustment. The commissioner may thereafter review
9 any such filing in the manner provided in sections 2418 and 2420,
10 but if so reviewed, no adjustment of premium may be ordered.
11 ~~Sections 2406 (2) (filing may be made by rating organization),~~
12 ~~2408 (1) (commissioner shall review filing as soon as reasonably~~
13 ~~possible), and 2412 (insurer must adhere to filing)~~ SECTIONS
14 2406(2), 2408(1), AND 2412 shall be applicable to filings made
15 under this section.

16 Section 2. This amendatory act shall not take effect unless
17 all of the following bills of the 85th Legislature are enacted
18 into law:

19 (a) Senate Bill No. 268.

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21 (b) Senate Bill No. 269.

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23 (c) Senate Bill No. 270.

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25 (d) Senate Bill No. 271.

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1 (e) Senate Bill No. 272.

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3 (f) Senate Bill No. 274.

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5 (g) Senate Bill No. 275.

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7 (h) Senate Bill No. 276.

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9 (i) Senate Bill No. 277.

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