

House Bill 5491

(As amended March 17, 1998)

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 3104a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3104A. (1) NO LATER THAN JUNE 1, 1998, THE MICHIGAN
2 CATASTROPHIC CLAIMS ASSOCIATION SHALL RETURN NOT LESS THAN
3 [\$1,200,000,000.00] OF EXCESS PREMIUM COLLECTED TO ITS MEMBERS IN
4 PROPORTION TO THE PREMIUMS PAID BY EACH MEMBER.

5 (2) [EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4),] EACH
6 ASSOCIATION MEMBER SHALL REBATE TO ITS INSURED ON
7 A PRO RATA BASIS THE REBATE RECEIVED UNDER SUBSECTION (1).

 [(3) FOR THE PREMIUM PERIODS OF 1999 AND 2000, THE ASSOCIATION
SHALL NOT ASSESS ITS MEMBERS, AND ITS MEMBERS SHALL NOT ASSESS THEIR
INSURED, A MICHIGAN CATASTROPHIC CLAIMS ASSOCIATION PREMIUM OF MORE
THAN \$6.00.

 (4) AN INSURED SHALL NOT RECEIVE A REBATE UNDER SUBSECTION (2)
IF THAT INSURED HAS BEEN CONVICTED ON OR AFTER JANUARY 1, 1988 OF 2
OR MORE ALCOHOL RELATED OR CONTROLLED SUBSTANCE RELATED DRIVING
OFFENSES.]

7 [(5)] AS USED IN THIS SECTION, "EXCESS PREMIUM" MEANS PREMIUMS
8 PAID BY MICHIGAN CATASTROPHIC CLAIMS ASSOCIATION MEMBERS IN
9 EXCESS OF ACTUAL AND ANTICIPATED COVERED CLAIMS AND EXPENSES OF
10 THE MICHIGAN CATASTROPHIC CLAIMS ASSOCIATION.

 [(6) FOR A GROUP SELF-INSURANCE POOL PROVIDING MOTOR VEHICLE
SECURITY UNDER SECTION 9 OF 1951 PA 35, MCL 124.9, THE MICHIGAN
CATASTROPHIC CLAIMS ASSOCIATION SHALL DIRECTLY REFUND THE PRO RATA
SHARE OF THE AMOUNT REFUNDED UNDER SUBSECTION (1).]