

SUBSTITUTE FOR  
HOUSE BILL NO. 4576

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
by amending section 102 (MCL 500.102), as amended by 2000 PA 252,  
and by adding chapter 12A.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 102. (1) "Commissioner" as used in this act means the  
2 ~~commissioner of the office of financial and insurance~~  
3 ~~services.~~**DIRECTOR.**

4           (2) "Department" as used in this act means the ~~office of~~  
5 ~~financial and insurance services.~~**DEPARTMENT OF INSURANCE AND**  
6 **FINANCIAL SERVICES.**

7           (3) "DIRECTOR" AS USED IN THIS ACT, UNLESS THE CONTEXT CLEARLY  
8 **IMPLIES A DIFFERENT MEANING, MEANS THE DIRECTOR OF THE DEPARTMENT**

1 OF INSURANCE AND FINANCIAL SERVICES.

2 CHAPTER 12A

3 SEC. 1261. AS USED IN THIS CHAPTER:

4 (A) "AFFORDABLE CARE ACT" MEANS THE PATIENT PROTECTION AND  
5 AFFORDABLE CARE ACT, PUBLIC LAW 111-148, AS AMENDED BY THE HEALTH  
6 CARE AND EDUCATION RECONCILIATION ACT OF 2010, PUBLIC LAW 111-152.

7 (B) "AGENT" MEANS AN INSURANCE PRODUCER.

8 (C) "BUSINESS ENTITY" MEANS A CORPORATION, ASSOCIATION,  
9 PARTNERSHIP, LIMITED LIABILITY COMPANY, LIMITED LIABILITY  
10 PARTNERSHIP, OR OTHER LEGAL ENTITY.

11 (D) "CERTIFICATE" MEANS A DOCUMENT ISSUED BY THE DIRECTOR  
12 AUTHORIZING A PERSON TO ACT AS A NAVIGATOR FOR THE QUALIFICATIONS  
13 SPECIFIED IN THE DOCUMENT. THE CERTIFICATE ITSELF DOES NOT CREATE  
14 ANY ACTUAL, APPARENT, OR INHERENT AUTHORITY IN THE HOLDER TO  
15 REPRESENT OR COMMIT AN INSURER.

16 (E) "EXCHANGE" MEANS AN AMERICAN HEALTH BENEFITS EXCHANGE  
17 ESTABLISHED OR OPERATING PURSUANT TO THE AFFORDABLE CARE ACT.

18 (F) "HOME STATE" MEANS THE DISTRICT OF COLUMBIA OR ANY STATE  
19 OR TERRITORY OF THE UNITED STATES IN WHICH AN INSURANCE PRODUCER  
20 MAINTAINS HIS OR HER PRINCIPAL PLACE OF RESIDENCE OR PRINCIPAL  
21 PLACE OF BUSINESS AND IS LICENSED TO ACT AS AN INSURANCE PRODUCER.

22 (G) "INSURANCE" MEANS ANY OF THE LINES OF AUTHORITY IN CHAPTER  
23 6.

24 (H) "INSURANCE PRODUCER" MEANS A PERSON REQUIRED TO BE  
25 LICENSED UNDER THE LAWS OF THIS STATE TO SELL, SOLICIT, OR  
26 NEGOTIATE INSURANCE.

27 (I) "NAVIGATOR" MEANS A PERSON THAT RECEIVES ANY FUNDING FROM

1 AN EXCHANGE OR THE FEDERAL GOVERNMENT AND IS DESIGNATED OR SELECTED  
2 BY AN EXCHANGE OR THE FEDERAL GOVERNMENT TO PERFORM ANY OF THE  
3 DUTIES IDENTIFIED IN 42 USC 18031(I)(3).

4 (J) "NEGOTIATE" MEANS THE ACT OF CONFERRING DIRECTLY WITH OR  
5 OFFERING ADVICE DIRECTLY TO A PURCHASER OR PROSPECTIVE PURCHASER OF  
6 A PARTICULAR CONTRACT OF INSURANCE CONCERNING ANY OF THE  
7 SUBSTANTIVE BENEFITS, TERMS, OR CONDITIONS OF THE CONTRACT,  
8 PROVIDED THAT THE PERSON ENGAGED IN THAT ACT EITHER SELLS INSURANCE  
9 OR OBTAINS INSURANCE FROM INSURERS FOR PURCHASERS.

10 (K) "SELL" MEANS TO EXCHANGE A CONTRACT OF INSURANCE BY ANY  
11 MEANS, FOR MONEY OR ITS EQUIVALENT, ON BEHALF OF AN INSURANCE  
12 COMPANY.

13 (L) "SOLICIT" MEANS ATTEMPTING TO SELL INSURANCE OR ASKING OR  
14 URGING A PERSON TO APPLY FOR A PARTICULAR KIND OF INSURANCE FROM A  
15 PARTICULAR COMPANY.

16 SEC. 1262. (1) AN INDIVIDUAL SHALL NOT ACT AS A NAVIGATOR AS  
17 DESCRIBED IN 42 USC 18031(I)(3) UNLESS HE OR SHE HAS FILED AN  
18 APPLICATION UNDER SECTION 1263 AND IS CERTIFIED WITH THIS STATE AS  
19 A NAVIGATOR.

20 (2) UNLESS CERTIFIED AS A NAVIGATOR, AN INDIVIDUAL SHALL NOT  
21 RECEIVE FUNDING FROM AN EXCHANGE.

22 (3) A NAVIGATOR SHALL DO ALL OF THE FOLLOWING:

23 (A) CONDUCT PUBLIC EDUCATION ACTIVITIES TO RAISE AWARENESS OF  
24 THE AVAILABILITY OF QUALIFIED HEALTH PLANS.

25 (B) DISTRIBUTE FAIR AND IMPARTIAL INFORMATION CONCERNING  
26 ENROLLMENT IN ALL QUALIFIED HEALTH PLANS OFFERED WITHIN THE  
27 EXCHANGE AND THE AVAILABILITY OF THE PREMIUM TAX CREDITS UNDER

1 SECTION 36B OF THE INTERNAL REVENUE CODE OF 1986, 26 USC 36B, AND  
2 COST-SHARING REDUCTION UNDER SECTION 1402 OF THE AFFORDABLE CARE  
3 ACT.

4 (C) FACILITATE SELECTION OF A QUALIFIED HEALTH PLAN.

5 (D) PROVIDE REFERRALS TO APPROPRIATE STATE AGENCIES FOR AN  
6 ENROLLEE WITH A GRIEVANCE, COMPLAINT, OR QUESTION REGARDING THE  
7 ENROLLEE'S HEALTH PLAN, COVERAGE, OR A DETERMINATION UNDER SUCH  
8 PLAN COVERAGE.

9 (E) PROVIDE INFORMATION IN A MANNER THAT IS CULTURALLY AND  
10 LINGUISTICALLY APPROPRIATE TO THE NEEDS OF THE POPULATION SERVED BY  
11 THE EXCHANGE.

12 (4) A NAVIGATOR SHALL NOT DO ANY OF THE FOLLOWING:

13 (A) SELL, SOLICIT, OR NEGOTIATE HEALTH INSURANCE.

14 (B) ENDORSE ANY PARTICULAR HEALTH BENEFIT PLAN OR GROUP OF  
15 HEALTH BENEFIT PLANS.

16 (C) PROVIDE ANY INFORMATION OR SERVICES RELATED TO HEALTH  
17 BENEFIT PLANS OR OTHER PRODUCTS NOT OFFERED IN THE EXCHANGE.

18 (5) IF AN EXCHANGE IS OPERATIONAL IN THIS STATE, THE DIRECTOR  
19 SHALL DETERMINE WHETHER A PROGRAM TO CERTIFY AND TRAIN NAVIGATORS,  
20 OTHER THAN A PROGRAM ESTABLISHED BY THIS STATE, PROTECTS THE  
21 PRIVACY AND SECURITY OF PERSONALLY IDENTIFIABLE INFORMATION OF THE  
22 RESIDENTS OF THIS STATE UNDER THE LAWS OF THIS STATE. IF THE  
23 DIRECTOR DETERMINES THAT THE PROGRAM DOES NOT PROTECT THE RESIDENTS  
24 OF THIS STATE UNDER THIS SUBSECTION, THE DIRECTOR SHALL DO ALL OF  
25 THE FOLLOWING:

26 (A) ESTABLISH A CERTIFICATION AND TRAINING PROGRAM FOR A  
27 PROSPECTIVE NAVIGATOR. THE CERTIFICATION AND TRAINING PROGRAM SHALL

1 INCLUDE, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

2 (i) A CRIMINAL HISTORY CHECK USING THE DEPARTMENT OF STATE  
3 POLICE'S INTERNET CRIMINAL HISTORY ACCESS TOOL (ICHAT).

4 (ii) TRAINING ON COMPLIANCE WITH THE HEALTH INSURANCE  
5 PORTABILITY AND ACCOUNTABILITY ACT OF 1996, PUBLIC LAW 104-191, OR  
6 REGULATIONS PROMULGATED UNDER THAT ACT, TRAINING ON ETHICS,  
7 TRAINING ON PROVISIONS OF THE AFFORDABLE CARE ACT RELATING TO  
8 NAVIGATORS, AND ANY NECESSARY STATE-SPECIFIC TRAINING AS DETERMINED  
9 BY THE DIRECTOR.

10 (B) DEVELOP AN APPLICATION AND DISCLOSURE FORM BY WHICH A  
11 NAVIGATOR SHALL DISCLOSE ANY POTENTIAL CONFLICTS OF INTEREST, AS  
12 WELL AS ANY OTHER INFORMATION REQUIRED BY THE DIRECTOR.

13 SEC. 1263. (1) AN INDIVIDUAL APPLYING FOR A NAVIGATOR  
14 CERTIFICATE SHALL FILE WITH THE DIRECTOR THE UNIFORM APPLICATION  
15 REQUIRED BY THE DIRECTOR AND SHALL DECLARE UNDER PENALTY OF  
16 REFUSAL, SUSPENSION, OR REVOCATION OF THE CERTIFICATE THAT THE  
17 STATEMENTS MADE IN THE APPLICATION ARE TRUE, CORRECT, AND COMPLETE  
18 TO THE BEST OF THE INDIVIDUAL'S KNOWLEDGE AND BELIEF. AN  
19 APPLICATION FOR A NAVIGATOR'S CERTIFICATE SHALL NOT BE APPROVED  
20 UNLESS THE DIRECTOR FINDS THAT THE INDIVIDUAL MEETS ALL OF THE  
21 FOLLOWING:

22 (A) IS AT LEAST 18 YEARS OF AGE.

23 (B) HAS NOT COMMITTED ANY ACT LISTED THAT WOULD BE A GROUND  
24 FOR DENIAL, SUSPENSION, OR REVOCATION OF AN INSURANCE PRODUCER'S  
25 LICENSE IN SECTION 1239(1).

26 (C) HAS COMPLETED ALL REQUIRED TRAINING COURSES UNDER SECTION  
27 1262.

1 (D) HAS PAID THE FEES REQUIRED BY THE DIRECTOR.

2 (E) HAS SUCCESSFULLY PASSED ANY REQUIRED EXAMINATION.

3 (F) HAS SUCCESSFULLY COMPLETED A CRIMINAL HISTORY CHECK UNDER  
4 SECTION 1262.

5 (2) A BUSINESS ENTITY ACTING AS A NAVIGATOR SHALL OBTAIN A  
6 NAVIGATOR CERTIFICATE. A BUSINESS ENTITY APPLYING FOR A NAVIGATOR  
7 CERTIFICATE SHALL FILE WITH THE DIRECTOR THE UNIFORM BUSINESS  
8 ENTITY APPLICATION REQUIRED BY THE DIRECTOR. AN APPLICATION FOR A  
9 NAVIGATOR CERTIFICATE UNDER THIS SUBSECTION SHALL NOT BE APPROVED  
10 UNLESS THE DIRECTOR FINDS THAT THE BUSINESS MEETS ALL OF THE  
11 FOLLOWING:

12 (A) THE BUSINESS ENTITY HAS PAID THE FEES REQUIRED BY THE  
13 DIRECTOR.

14 (B) THE BUSINESS ENTITY HAS DESIGNATED AN INDIVIDUAL CERTIFIED  
15 NAVIGATOR RESPONSIBLE FOR THE BUSINESS ENTITY'S COMPLIANCE WITH  
16 THIS STATE'S INSURANCE LAWS, RULES, AND REGULATIONS.

17 (C) THE BUSINESS ENTITY HAS NOT COMMITTED ANY ACT LISTED IN  
18 SECTION 1239(1).

19 (2) THE DIRECTOR MAY REQUIRE THE PRODUCTION OF ANY DOCUMENTS  
20 REASONABLY NECESSARY TO VERIFY THE INFORMATION CONTAINED IN AN  
21 APPLICATION.

22 SEC. 1264. (1) IN ADDITION TO ANY OTHER POWERS UNDER THIS ACT,  
23 THE DIRECTOR MAY PLACE ON PROBATION, SUSPEND, OR REVOKE A  
24 NAVIGATOR'S CERTIFICATE OR MAY LEVY A CIVIL FINE UNDER SECTION 1270  
25 OR ANY COMBINATION OF ACTIONS, AND THE DIRECTOR SHALL REFUSE TO  
26 ISSUE A NAVIGATOR CERTIFICATE UNDER SECTION 1263, FOR ANY 1 OR MORE  
27 CAUSES THAT WOULD BE A GROUND FOR REFUSAL, SUSPENSION, OR

1 REVOCATION OF AN INSURANCE PRODUCER'S LICENSE UNDER SECTION 1239.  
2 BEGINNING OCTOBER 1, 2013, THE DIRECTOR SHALL REVOKE A NAVIGATOR  
3 CERTIFICATE OF ANY PERSON OR REFUSE TO ISSUE A NAVIGATOR  
4 CERTIFICATE FOR A PERSON THAT RECEIVES FINANCIAL COMPENSATION,  
5 INCLUDING MONETARY AND IN-KIND COMPENSATION, GIFTS, OR ANY  
6 COMPENSATION RELATED TO ENROLLMENT FROM AN INSURER OFFERING  
7 QUALIFIED HEALTH BENEFITS THROUGH AN EXCHANGE OPERATING IN THIS  
8 STATE. THE DIRECTOR MAY DENY, SUSPEND, APPROVE, RENEW, OR REVOKE  
9 THE CERTIFICATE OF A NAVIGATOR IF THE DIRECTOR CONSIDERS IT  
10 NECESSARY TO PROTECT INSUREDS AND THE PUBLIC.

11 (2) THE NAVIGATOR CERTIFICATE OF A BUSINESS ENTITY MAY BE  
12 SUSPENDED, REVOKED, OR REFUSED IF THE DIRECTOR FINDS, AFTER  
13 HEARING, THAT AN INDIVIDUAL NAVIGATOR'S VIOLATION WAS KNOWN OR  
14 SHOULD HAVE BEEN KNOWN BY 1 OR MORE OF THE PARTNERS, OFFICERS, OR  
15 MANAGERS ACTING ON BEHALF OF THE BUSINESS ENTITY AND THE VIOLATION  
16 WAS NEITHER REPORTED TO THE DIRECTOR NOR CORRECTIVE ACTION TAKEN.

17 (3) THE DIRECTOR MAY EXAMINE THE BOOKS AND RECORDS OF A  
18 NAVIGATOR TO DETERMINE WHETHER THE NAVIGATOR IS CONDUCTING ITS  
19 BUSINESS IN ACCORDANCE WITH THIS CHAPTER. FOR THE PURPOSE OF  
20 FACILITATING THE EXAMINATION, THE NAVIGATOR SHALL ALLOW THE  
21 DIRECTOR FREE ACCESS, AT REASONABLE TIMES, TO ALL OF THE  
22 NAVIGATOR'S BOOKS AND RECORDS RELATING TO TRANSACTIONS TO WHICH  
23 THIS CHAPTER APPLIES.

24 SEC. 1265. A BUSINESS ENTITY CERTIFIED AS A NAVIGATOR SHALL,  
25 IN A MANNER PRESCRIBED BY THE DIRECTOR, MAKE AVAILABLE A LIST OF  
26 ALL INDIVIDUAL NAVIGATORS THAT THE BUSINESS ENTITY EMPLOYS OR  
27 SUPERVISES OR WITH WHICH THE BUSINESS ENTITY IS OTHERWISE

1 AFFILIATED.

2 SEC. 1266. A BUSINESS ENTITY THAT TERMINATES THE EMPLOYMENT,  
3 ENGAGEMENT, AFFILIATION, OR OTHER RELATIONSHIP WITH AN INDIVIDUAL  
4 NAVIGATOR SHALL NOTIFY THE DIRECTOR USING A FORMAT PRESCRIBED BY  
5 THE DIRECTOR OF THE TERMINATION WITHIN 30 DAYS FOLLOWING THE  
6 EFFECTIVE DATE OF THE TERMINATION IF THE REASON FOR TERMINATION IS  
7 1 OF THE REASONS LISTED IN SECTION 1239 OR THE BUSINESS ENTITY HAS  
8 KNOWLEDGE THE INDIVIDUAL NAVIGATOR WAS FOUND BY A COURT OR  
9 GOVERNMENT BODY TO HAVE ENGAGED IN ANY OF THE ACTIVITIES LISTED IN  
10 SECTION 1239.

11 SEC. 1268. (1) WHEN APPLYING FOR A CERTIFICATE TO ACT AS A  
12 NAVIGATOR, THE APPLICANT SHALL REPORT HIS OR HER MAILING AND  
13 ELECTRONIC MAIL ADDRESS TO THE DIRECTOR. A NAVIGATOR SHALL NOTIFY  
14 THE DIRECTOR OF ANY CHANGE IN HIS OR HER MAILING OR ELECTRONIC MAIL  
15 ADDRESS WITHIN 30 DAYS AFTER THE CHANGE. THE DIRECTOR SHALL  
16 MAINTAIN THE MAILING AND ELECTRONIC MAIL ADDRESS OF EACH NAVIGATOR  
17 ON FILE.

18 (2) A NOTICE OF HEARING OR SERVICE OF PROCESS MAY BE SERVED  
19 UPON A NAVIGATOR IN ANY ACTION OR PROCEEDING FOR A VIOLATION OF  
20 THIS ACT BY MAILING THE NOTICE OR PROCESS BY FIRST-CLASS MAIL TO  
21 THE NAVIGATOR'S MAILING ADDRESS REPORTED TO THE DIRECTOR UNDER  
22 SUBSECTION (1).

23 SEC. 1269. (1) THE DIRECTOR SHALL REFUSE TO GRANT A  
24 CERTIFICATE TO ACT AS A NAVIGATOR TO AN APPLICANT WHO FAILS TO MEET  
25 THE REQUIREMENTS OF THIS CHAPTER. NOTICE OF THE REFUSAL SHALL BE IN  
26 WRITING AND SHALL SET FORTH THE BASIS FOR THE REFUSAL. IF THE  
27 APPLICANT SUBMITS A WRITTEN REQUEST WITHIN 30 DAYS AFTER MAILING OF



1 THE NOTICE OF REFUSAL, THE DIRECTOR SHALL PROMPTLY CONDUCT A  
2 HEARING IN WHICH THE APPLICANT SHALL BE GIVEN AN OPPORTUNITY TO  
3 SHOW COMPLIANCE WITH THE REQUIREMENTS OF THIS CHAPTER.

4 (2) THE DIRECTOR, AFTER NOTICE OF AND OPPORTUNITY FOR A  
5 HEARING, MAY SUSPEND OR REVOKE THE CERTIFICATE OF A NAVIGATOR WHO  
6 FAILS TO MAINTAIN THE STANDARDS REQUIRED FOR INITIAL CERTIFICATION  
7 OR WHO VIOLATES ANY PROVISION OF THIS ACT.

8 (3) WITHOUT PRIOR HEARING, THE DIRECTOR MAY ORDER SUMMARY  
9 SUSPENSION OF A CERTIFICATE IF HE OR SHE FINDS THAT PROTECTION OF  
10 THE PUBLIC REQUIRES EMERGENCY ACTION AND INCORPORATES THIS FINDING  
11 IN HIS OR HER ORDER. THE SUSPENSION SHALL BE EFFECTIVE ON THE DATE  
12 SPECIFIED IN THE ORDER OR UPON SERVICE OF A CERTIFIED COPY OF THE  
13 ORDER ON THE CERTIFICATE HOLDER, WHICHEVER IS LATER. IF REQUESTED,  
14 THE DIRECTOR SHALL CONDUCT A HEARING ON THE SUSPENSION WITHIN A  
15 REASONABLE TIME BUT NOT LATER THAN 20 DAYS AFTER THE EFFECTIVE DATE  
16 OF THE SUMMARY SUSPENSION UNLESS THE PERSON WHOSE CERTIFICATE IS  
17 SUSPENDED REQUESTS A LATER DATE. AT THE HEARING, THE DIRECTOR SHALL  
18 DETERMINE IF THE SUSPENSION SHOULD BE CONTINUED OR IF THE  
19 SUSPENSION SHOULD BE WITHDRAWN, AND, IF PROPER NOTICE IS GIVEN, MAY  
20 DETERMINE IF THE CERTIFICATE SHOULD BE REVOKED. THE DIRECTOR SHALL  
21 ANNOUNCE HIS OR HER DECISION WITHIN 30 DAYS AFTER CONCLUSION OF THE  
22 HEARING. THE SUSPENSION SHALL CONTINUE UNTIL THE DECISION IS  
23 ANNOUNCED.

24 (4) THE DIRECTOR, OR HIS OR HER DESIGNATED DEPUTY, MAY ISSUE  
25 SUBPOENAS TO REQUIRE THE ATTENDANCE AND TESTIMONY OF WITNESSES AND  
26 THE PRODUCTION OF DOCUMENTS NECESSARY TO THE CONDUCT OF THE HEARING  
27 AND MAY DESIGNATE A DEPARTMENT EMPLOYEE TO MAKE SERVICE. THE

1 SUBPOENAS ISSUED BY THE DIRECTOR, OR HIS OR HER DESIGNATED DEPUTY,  
2 MAY BE ENFORCED UPON PETITION TO THE CIRCUIT COURT OF INGHAM COUNTY  
3 TO SHOW CAUSE WHY A CONTEMPT ORDER SHOULD NOT BE ISSUED, AS  
4 PROVIDED BY LAW.

5 SEC. 1270. (1) IF THE DIRECTOR FINDS THAT A PERSON HAS  
6 VIOLATED THIS CHAPTER, AFTER AN OPPORTUNITY FOR A HEARING PURSUANT  
7 TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL  
8 24.201 TO 24.328, THE DIRECTOR SHALL REDUCE THE FINDINGS AND  
9 DECISION TO WRITING AND SHALL ISSUE AND CAUSE TO BE SERVED UPON THE  
10 PERSON CHARGED WITH THE VIOLATION A COPY OF THE FINDINGS AND AN  
11 ORDER REQUIRING THE PERSON TO CEASE AND DESIST FROM THE VIOLATION.  
12 IN ADDITION, THE DIRECTOR MAY ORDER ANY OF THE FOLLOWING:

13 (A) PAYMENT OF A CIVIL FINE OF NOT MORE THAN \$500.00 FOR EACH  
14 VIOLATION. HOWEVER, IF THE PERSON KNEW OR REASONABLY SHOULD HAVE  
15 KNOWN THAT HE OR SHE WAS IN VIOLATION OF THIS CHAPTER, THE DIRECTOR  
16 MAY ORDER THE PAYMENT OF A CIVIL FINE OF NOT MORE THAN \$2,500.00  
17 FOR EACH VIOLATION. AN ORDER OF THE DIRECTOR UNDER THIS SUBSECTION  
18 SHALL NOT REQUIRE THE PAYMENT OF CIVIL FINES EXCEEDING \$25,000.00.  
19 A FINE COLLECTED UNDER THIS SUBDIVISION SHALL BE TURNED OVER TO THE  
20 STATE TREASURER AND CREDITED TO THE GENERAL FUND OF THE STATE.

21 (B) THE SUSPENSION OR REVOCATION OF THE PERSON'S NAVIGATOR  
22 CERTIFICATE.

23 (2) THE DIRECTOR MAY BY ORDER, AFTER NOTICE AND OPPORTUNITY  
24 FOR HEARING, REOPEN AND ALTER, MODIFY, OR SET ASIDE, IN WHOLE OR IN  
25 PART, AN ORDER ISSUED UNDER THIS SECTION, IF IN THE OPINION OF THE  
26 DIRECTOR CONDITIONS OF FACT OR OF LAW HAVE CHANGED TO REQUIRE THAT  
27 ACTION, OR IF THE PUBLIC INTEREST REQUIRES THAT ACTION.

1           (3) IF A PERSON KNOWINGLY VIOLATES A CEASE AND DESIST ORDER  
2 UNDER THIS CHAPTER AND HAS BEEN GIVEN NOTICE AND AN OPPORTUNITY FOR  
3 A HEARING HELD PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF  
4 1969, 1969 PA 306, MCL 24.201 TO 24.328, THE DIRECTOR MAY ORDER A  
5 CIVIL FINE OF NOT MORE THAN \$10,000.00 FOR EACH VIOLATION, OR A  
6 SUSPENSION OR REVOCATION OF THE PERSON'S NAVIGATOR CERTIFICATE, OR  
7 BOTH. AN ORDER ISSUED BY THE DIRECTOR PURSUANT TO THIS SUBSECTION  
8 SHALL NOT REQUIRE THE PAYMENT OF CIVIL FINES EXCEEDING \$50,000.00.  
9 A FINE COLLECTED UNDER THIS SUBSECTION SHALL BE TURNED OVER TO THE  
10 STATE TREASURER AND CREDITED TO THE GENERAL FUND OF THE STATE.

11           (4) THE DIRECTOR MAY APPLY TO THE CIRCUIT COURT OF INGHAM  
12 COUNTY FOR AN ORDER OF THE COURT ENJOINING A VIOLATION OF THIS  
13 CHAPTER.

14           SEC. 1271. THIS CHAPTER DOES NOT AUTHORIZE OR SHALL NOT BE  
15 CONSTRUED TO AUTHORIZE THE ESTABLISHMENT OR OPERATION OF AN  
16 AMERICAN HEALTH BENEFIT EXCHANGE IN THIS STATE PURSUANT TO THE  
17 PATIENT PROTECTION AND AFFORDABLE CARE ACT, PUBLIC LAW 111-148, AS  
18 AMENDED BY THE HEALTH CARE AND EDUCATION RECONCILIATION ACT OF  
19 2010, PUBLIC LAW 111-152.

20           Enacting section 1. (1) This amendatory act shall not be  
21 construed to do any of the following:

22           (a) Authorize the establishment or operation of an American  
23 health benefit exchange in this state pursuant to the patient  
24 protection and affordable care act, Public Law 111-148, as amended  
25 by the health care and education reconciliation act of 2010, Public  
26 Law 111-152.

27           (b) Authorize this state or an agency of this state to conduct

1 or oversee state-level governmental consumer assistance functions  
2 for an American health benefit exchange established or operating in  
3 this state pursuant to the patient protection and affordable care  
4 act, Public Law 111-148, as amended by the health care and  
5 education reconciliation act of 2010, Public Law 111-152.

6 (c) Convey any administrative, statutory, rule-making, or  
7 other power to this state or an agency of this state to authorize,  
8 establish, or operate an American health benefit exchange in this  
9 state that did not exist before the effective date of this  
10 amendatory act.

11 (2) It is the intent of this legislature that any consumer  
12 assistance functions by or overseen by this state or an agency of  
13 this state with regard to an American health benefit exchange shall  
14 be conducted in a manner that utilizes and highlights Michigan-  
15 based resources, including insurance producers, in order to best  
16 serve the residents of this state and to ensure appropriate health  
17 care decisions.

18 Enacting section 2. This amendatory act applies to policies,  
19 certificates, or contracts delivered, issued for delivery, or  
20 renewed in this state on and after the effective date of this  
21 amendatory act.