

HOUSE BILL NO. 4079

January 24, 2019, Introduced by Reps. Webber, Crawford, Paquette, Griffin, Ellison, Cynthia Johnson, Robinson and Yaroch and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending sections 2106 and 2108 (MCL 500.2106 and 500.2108),
section 2108 as amended by 2015 PA 141.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2106. **(1)** Except as specifically provided in this
2 chapter, ~~the provisions of chapter 24 and chapter 26 shall do~~ not
3 apply to automobile insurance and home insurance.
4 **(2)** An insurer ~~may~~ **shall file and** use rates for automobile

1 insurance or home insurance ~~as soon as those rates are filed.~~**in**
2 **accordance with chapter 24.**

3 (3) To the extent that other provisions of this ~~code~~**act** are
4 inconsistent with ~~the provisions of this~~ chapter, this chapter
5 ~~shall govern~~**governs** with respect to automobile insurance and home
6 insurance.

7 Sec. 2108. (1) ~~On the effective date of~~**An insurer shall file**
8 a manual of classification, manual of rules and rates, rating plan,
9 or modification of a manual of classification, manual of rules and
10 rates, or rating plan that ~~an~~**the** insurer proposes to use for
11 automobile insurance or home insurance ~~, the insurer shall file the~~
12 ~~manual or plan with the director.~~**in accordance with chapter 24.**

13 Each filing under this subsection must state the character and
14 extent of the coverage contemplated. An insurer that is subject to
15 this chapter and that maintains rates in any part of this state
16 shall at all times maintain rates in effect for all eligible
17 persons meeting the underwriting criteria of the insurer.

18 (2) An insurer may satisfy its obligation to make filings
19 under subsection (1) by becoming a member of, or a subscriber to, a
20 rating organization licensed under chapter 24 or chapter 26 that
21 makes the filings, and by filing with the director a copy of its
22 authorization of the rating organization to make the filings on its
23 behalf. This chapter does not require an insurer to become a member
24 of or a subscriber to a rating organization. An insurer may file
25 and use deviations from filings made on its behalf. The deviations
26 are subject to this chapter.

27 (3) A filing under this section must be accompanied by a
28 certification by or on behalf of the insurer that, to the best of
29 the insurer's information and belief, the filing conforms to the

1 requirements of this chapter.

2 (4) A filing under this section must include information that
3 supports the filing with respect to the requirements of section
4 2109. The information may include 1 or more of the following:

5 (a) The experience or judgment of the insurer or rating
6 organization making the filing.

7 (b) The interpretation of the insurer or rating organization
8 of any statistical data it relies on.

9 (c) The experience of other insurers or rating organizations.

10 (d) Any other relevant information.

11 (5) Except as otherwise provided in this subsection, the
12 department shall make a filing under this section and any
13 accompanying information open to public inspection on filing. An
14 insurer or a rating organization filing on the insurer's behalf may
15 designate information included in the filing or any accompanying
16 information as a trade secret. The insurer or the rating
17 organization filing on behalf of the insurer shall demonstrate to
18 the director that the designated information is a trade secret. If
19 the director determines that the information is a trade secret, the
20 information is not subject to public inspection and is exempt from
21 the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
22 As used in this subsection, "trade secret" means that term as
23 defined in section 2 of the uniform trade secrets act, 1998 PA 448,
24 MCL 445.1902. However, trade secret does not include filings and
25 information accompanying filings under this section that were
26 subject to public inspection before ~~the effective date of the~~
27 ~~amendatory act that added this sentence.~~ **January 11, 2016.**

28 (6) An insurer shall not make, issue, or renew a contract or
29 policy except in accordance with filings that are in effect for the

1 insurer under this chapter.

2 Enacting section 1. Sections 2106 and 2108 of the insurance
3 code of 1956, 1956 PA 218, MCL 500.2106 and 500.2108, as amended by
4 this amendatory act, apply to insurance policies issued or renewed
5 on or after 90 days after the effective date of this amendatory
6 act.