

Legislative Analysis



REPEAL LIFE AND HEALTH PRODUCER EXAMINATION REPORT REQUIREMENT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4595 as reported from committee
Sponsor: Rep. Jasper R. Martus
Committee: Insurance and Financial Services
Complete to 6-22-23

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4595 would amend the Insurance Code to repeal the requirement that the director of the Department of Insurance and Financial Services (DIFS) publish an annual report on life and health insurance producer examinations.

Currently, the code requires the report to be published by April 30 each year and to include the following information:

- The total number of examinees.
- The percentage and number of examinees who passed the examination.
- The mean scaled scores on the examination.
- The standard deviation of scaled scores on the examination.
- The correct answer rate and correlation for each test question and each test form.¹

MCL 500.1206c (repealed)

BACKGROUND:

According to committee testimony, the report is not a good use of DIFS resources or taxpayer dollars, as it is viewed very rarely on the department's website each year (only nine views for this year's report).

FISCAL IMPACT:

House Bill 4595 would not have a significant fiscal impact on the Department of Insurance and Financial Services. By eliminating the reporting requirement, the bill would eliminate a required administrative activity, likely increasing administrative efficiency. However, any savings stemming from elimination of the report would likely be limited.

POSITIONS:

A representative of the Department of Insurance and Financial Services testified in support of the bill. (6-20-23)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

¹ The 2022 report is available here: <https://www.michigan.gov/difs/-/media/Project/Websites/difs/Boilerplate-Reports/Section-1206c-YE2022-Life-and-Health-Insurance-Exams.pdf>