

**SUBSTITUTE FOR
SENATE BILL NO. 305**

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending sections 2105 and 2108 (MCL 500.2105 and 500.2108),
section 2108 as amended by 2015 PA 141.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2105. (1) ~~No~~**A** policy of automobile insurance or home
2 insurance ~~shall~~**must not** be offered, bound, made, issued, delivered
3 or renewed in this state ~~on and after January 1, 1981, except in~~
4 ~~conformity with~~**unless the policy conforms to** this chapter. This
5 ~~chapter shall not apply to policies of automobile insurance or home~~
6 ~~insurance offered, bound, made, issued, delivered or renewed in~~
7 ~~this state before January 1, 1981.~~



1 (2) This chapter ~~shall~~**does** not apply to insurance written on
2 a group, franchise, blanket policy, or similar basis ~~which~~**that**
3 offers home insurance or automobile insurance to all members of the
4 group, franchise plan, or blanket coverage who are eligible
5 persons. **However, section 2111(4), with respect to sex, applies to**
6 **automobile insurance written on a group, franchise, blanket policy,**
7 **or similar basis.**

8 Sec. 2108. (1) On the effective date of a manual of
9 classification, manual of rules and rates, rating plan, or
10 modification of a manual of classification, manual of rules and
11 rates, or rating plan that an insurer proposes to use for
12 automobile insurance or home insurance, the insurer shall file the
13 manual or plan with the director. Each filing under this subsection
14 must state the character and extent of the coverage contemplated.
15 An insurer that is subject to this chapter and that maintains rates
16 in any part of this state shall at all times maintain rates in
17 effect for all eligible persons meeting the underwriting criteria
18 of the insurer.

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

28 (3) A filing under this section must be accompanied by a
29 certification by or on behalf of the insurer that, to the best of



1 the insurer's information and belief, the filing conforms to the
2 requirements of this chapter.

3 (4) A filing under this section must include information that
4 supports the filing with respect to the requirements of section
5 2109. The information may include 1 or more of the following:

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

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

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

11 (d) Any other relevant information.

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

29 (6) An insurer shall not make, issue, or renew a contract or



1 policy except in accordance with filings that are in effect for the
2 insurer under this chapter.

3 (7) A filing under this chapter must specify that the insurer
4 will not refuse to insure, refuse to continue to insure, or limit
5 the amount of coverage available because of the location of the
6 risk, and that the insurer recognizes those practices to constitute
7 redlining. An insurer shall not engage in redlining as described in
8 this subsection.

