

HOUSE BILL No. 5334

November 20, 1991, Introduced by Rep. Gagliardi and referred to the Committee on Insurance.

A bill to amend section 2430 of Act No. 218 of the Public Acts of 1956, entitled as amended
"The insurance code of 1956,"
being section 500.2430 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2430 of Act No. 218 of the Public Acts
2 of 1956, being section 500.2430 of the Michigan Compiled Laws, is
3 amended to read as follows:
4 Sec. 2430. (1) In lieu of the filing requirements of this
5 chapter and as an alternative method of filing, ~~any~~ AN insurer
6 ~~or rating organization~~ may file with the commissioner ~~any~~ A
7 manual of classification, rules, or rates, any rating plan and
8 every modification of any of the foregoing ~~which~~ THAT it
9 proposes to use, the filing to indicate the character and extent
10 of the coverage contemplated. IN LIEU OF THE FILING REQUIREMENTS

1 OF THIS CHAPTER AND AS AN ALTERNATIVE METHOD OF FILING, A RATING
2 ORGANIZATION MAY FILE WITH THE COMMISSIONER FOR AN INSURER A
3 MANUAL OF CLASSIFICATION, RULES, AND EVERY MODIFICATION OF ANY OF
4 THE FOREGOING, THE FILING TO INDICATE THE CHARACTER AND EXTENT OF
5 THE COVERAGE CONTEMPLATED. Every ~~such~~ filing under this section
6 shall state the effective date ~~thereof~~ OF THE FILING, shall
7 take effect on ~~said~~ THAT date, shall not be subject to any
8 waiting period requirements, and shall be deemed to meet the
9 requirements of section 2403 (1) (d). ~~-(rate standards)-~~ A
10 filing and any supporting information shall be open to public
11 inspection, if the filing is not disapproved.

12 (2) At any time within 15 days from and after the date of
13 ~~any such~~ A filing UNDER SUBSECTION (1), the commissioner may
14 give written notice to the insurer ~~or rating organization~~
15 making ~~such~~ THE filing, specifying in what respect and to what
16 extent he OR SHE contends ~~such~~ THE filing fails to comply with
17 the requirements of section 2403 (1) (d) and fixing a date for
18 hearing not less than 10 days from the date of THE mailing of
19 ~~such~~ THE notice. At ~~such~~ THE hearing the factors specified
20 in section 2406 (1) shall be considered. If the commissioner
21 after hearing finds that the filing does not comply with the pro-
22 visions of this chapter, he OR SHE may issue ~~his~~ AN order
23 determining ~~wherein~~ WHERE and to what extent ~~such~~ THE filing
24 is ~~deemed to be~~ improper and fixing a date, ~~thereafter,~~
25 within a reasonable time, after which ~~such~~ THE filing shall no
26 longer be effective. ~~Any~~ AN order of disapproval under this

1 section must be entered within 30 days of the date of the filing
2 affected.

3 (3) ~~In the event that no~~ IF A notice of hearing ~~shall be~~
4 IS NOT issued within 15 days from the date of ~~any such~~ A filing
5 UNDER SUBSECTION (1), the filing shall be deemed to be approved.
6 If ~~such~~ THE filing ~~shall be~~ IS disapproved, the insuring pro-
7 visions of ~~any~~ A contract or policy issued prior to the time
8 the order becomes effective shall not be affected. But if the
9 commissioner disapproves ~~such~~ THE filing as not being in com-
10 pliance with section 2403 (1) (d), ~~(rate standards)~~, he OR SHE
11 may order an adjustment of the premium to be made with the poli-
12 cyholder either by refund or collection of additional premium, if
13 the amount is substantial and equals or exceeds the cost of
14 making the adjustment. The commissioner may ~~thereafter~~ review
15 any such filing in the manner provided in sections 2418 and 2420,
16 but if so reviewed, ~~no~~ AN adjustment of premium ~~may~~ SHALL NOT
17 be ordered. ~~Sections 2406 (2) (filing may be made by rating~~
18 ~~organization), 2408 (1) (commissioner shall review filing as soon~~
19 ~~as reasonably possible), and 2412 (insurer must adhere to~~
20 ~~filing)~~ SECTIONS 2406(2), 2408(1), AND 2412 shall be applicable
21 to filings made under this section.

22 Section 2. This amendatory act shall not take effect unless
23 all of the following bills of the 86th Legislature are enacted
24 into law:

25 (a) Senate Bill No. _____ or House Bill No. 5340 (request
26 no. 00706'91).

- 1 (b) Senate Bill No. _____ or House Bill No. 5335 (request
2 no. 00707'91).
- 3 (c) Senate Bill No. _____ or House Bill No. 5338 (request
4 no. 00709'91).
- 5 (d) Senate Bill No. _____ or House Bill No. 5339 (request
6 no. 00710'91).
- 7 (e) Senate Bill No. _____ or House Bill No. 5336 (request
8 no. 00711'91).
- 9 (f) Senate Bill No. _____ or House Bill No. 5337 (request
10 no. 00712'91).
- 11 (g) Senate Bill No. _____ or House Bill No. 5333 (request
12 no. 00713'91).
- 13 (h) Senate Bill No. _____ or House Bill No. 5331 (request
14 no. 00714'91).
- 15 (i) Senate Bill No. _____ or House Bill No. 5332 (request
16 no. 00715'91).