

HOUSE BILL No. 5340

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

A bill to amend section 2664 of Act No. 218 of the Public Acts of 1956, entitled as amended
"The insurance code of 1956,"
being section 500.2664 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2664 of Act No. 218 of the Public Acts
2 of 1956, being section 500.2664 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 2664. (1) The commissioner shall promulgate reasonable
5 rules and statistical plans, reasonably adapted to each of the
6 rating systems on file with him OR HER, ~~which~~ THAT may be modi-
7 fied from time to time and ~~which~~ THAT shall be used thereafter
8 by each insurer in the recording and reporting of its loss and
9 countrywide expense experience, in order that the experience of
10 all insurers may be made available at least annually in such form

1 and detail as may be necessary to aid ~~him~~ THE COMMISSIONER in
2 determining whether rating systems comply with the standards set
3 forth in section 2603. ~~Such~~ THE rules and plans may also pro-
4 vide for the recording and reporting of expense experience items
5 ~~which~~ THAT are specially applicable to this state and are not
6 susceptible of determination by a prorating of countrywide
7 expense experience. In promulgating ~~such~~ rules and plans, the
8 commissioner shall give due consideration to the rating systems
9 on file with him OR HER and, in order that ~~such~~ THE rules and
10 plans may be as uniform as is practicable among the several
11 states, to the rules and to the form of the plans used for ~~such~~
12 rating systems in other states. ~~No~~ AN insurer shall NOT be
13 required to record or report its loss experience on a classifica-
14 tion basis that is inconsistent with the rating system filed by
15 it. The commissioner may designate 1 or more rating organi-
16 zations or other agencies to assist him OR HER in gathering AND
17 COMPILING such experience and ~~making compilations thereof, and~~
18 ~~such~~ THE compilations shall be made available, subject to rea-
19 sonable rules promulgated by the commissioner, to insurers and
20 rating organizations.

21 (2) Reasonable rules and plans may be promulgated by the
22 commissioner for the interchange of data necessary for the appli-
23 cation of rating plans.

24 (3) In order to further uniform administration of rate regu-
25 latory laws, the commissioner and ~~every~~ EACH insurer ~~and~~
26 ~~rating organization~~ may exchange information and experience data
27 with insurance supervisory officials ~~, insurers and rating~~

1 ~~organizations~~ in other states and may consult with them with
2 respect to ~~rate making and~~ the application of rating systems.
3 IN ADDITION, EACH INSURER AND EACH RATING ORGANIZATION MAY
4 EXCHANGE HISTORICAL LOSS DATA.

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

8 (a) House Bill No. _____ or Senate Bill No. 5335 (request
9 no. 00707'91).

10 (b) House Bill No. _____ or Senate Bill No. 5334 (request
11 no. 00708'91).

12 (c) House Bill No. _____ or Senate Bill No. 5338 (request
13 no. 00709'91).

14 (d) House Bill No. _____ or Senate Bill No. 5339 (request
15 no. 00710'91).

16 (e) House Bill No. _____ or Senate Bill No. 5336 (request
17 no. 00711'91).

18 (f) House Bill No. _____ or Senate Bill No. 5337 (request
19 no. 00712'91).

20 (g) House Bill No. _____ or Senate Bill No. 5333 (request
21 no. 00713'91).

22 (h) House Bill No. _____ or Senate Bill No. 5331 (request
23 no. 00714'91).

24 (i) House Bill No. _____ or Senate Bill No. 5332 (request
25 no. 00715'91).