

HOUSE BILL No. 5372

December 4, 1991, Introduced by Rep. Yokich and referred to the Committee on Insurance.

A bill to amend Act No. 218 of the Public Acts of 1956, entitled as amended
"The insurance code of 1956,"
as amended, being sections 500.100 to 500.8302 of the Michigan Compiled Laws, by adding chapter 21a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 218 of the Public Acts of 1956, as
2 amended, being sections 500.100 to 500.8302 of the Michigan
3 Compiled Laws, is amended by adding chapter 21a to read as
4 follows:

CHAPTER 21A

RATE REDUCTION

7 SEC. 2151. (1) BY APRIL 1, 1992, EACH INSURER SHALL FILE
8 BASE RATES FOR AUTOMOBILE INSURANCE THAT ARE REDUCED TO THE BASE
9 RATES IN EFFECT IN THIS STATE FOR THAT INSURER THAT WERE FILED ON

1 NOVEMBER 1, 1991 PLUS AN ADDITIONAL REDUCTION OF NOT LESS THAN
2 30% OF THE BASE RATE IN EFFECT ON NOVEMBER 1, 1991.

3 (2) BY APRIL 1, 1992, EACH INSURER WHO DID NOT WRITE AUTOMO-
4 BILE INSURANCE IN THIS STATE ON NOVEMBER 1, 1991 SHALL FILE BASE
5 RATES FOR AUTOMOBILE INSURANCE THAT DO NOT EXCEED THE WEIGHTED
6 AVERAGE OF THE BASE RATES FILED ON NOVEMBER 1, 1991 BY THE 10
7 LARGEST AUTOMOBILE INSURANCE INSURERS BY MARKET SHARE.

8 (3) ASSESSMENTS FOR THE MICHIGAN CATASTROPHIC CLAIMS ASSOCI-
9 ATION, AUTOMOBILE THEFT PREVENTION AUTHORITY, AND THE MICHIGAN
10 AUTOMOBILE INSURANCE PLACEMENT FACILITY SHALL NOT BE CONSIDERED
11 IN ACHIEVING THE REDUCTION REQUIRED BY SUBSECTIONS (1) AND (2).