
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 74 (Substitute S-3 as reported by the Committee of the Whole)
Sponsor: Senator Jon Cisky
Committee: Health Policy and Senior Citizens

CONTENT

The bill would amend the Insurance Code to prohibit a life insurer from rating, canceling coverage on, refusing to provide coverage for, or refusing to issue or renew a policy solely because an insured or applicant for insurance was or had been a victim of domestic violence. This provision would not prevent an insurer from inquiring about, underwriting, or charging a different premium on the basis of an individual's physical or mental condition, regardless of the cause of the condition. An insurer also could refuse to issue a policy insuring a victim of domestic violence if the individual who committed the domestic violence were the applicant for, prospective owner of, or beneficiary under the policy and one or more of the following applied: the applicant, prospective owner, or beneficiary was known on the basis of police or court records to have committed domestic violence; the insurer knew of the arrest or conviction for a domestic violence-related offense by the applicant, prospective owner, or beneficiary; or the insurer had reasonable grounds to believe that the applicant, prospective owner, or beneficiary was committing domestic violence. In addition, a life insurer could refuse to issue a policy if the applicant, prospective owner, or beneficiary did not have an insurable interest in the life of the prospective insured individual.

The bill also specifies that a life insurer could not be held civilly liable for any cause of action that could result from compliance with the bill's provisions. The bill would apply to all life insurance policies issued or renewed on or after 60 days following the bill's effective date.

"Domestic violence" would mean "inflicting bodily injury, causing serious emotional injury or psychological trauma, or placing in fear of imminent physical harm by threat or force a person who resides or has resided with or who has a child in common with the person committing the violence".

Proposed MCL 500.2246

Legislative Analyst: S. Margules

FISCAL IMPACT

The bill would have no apparent fiscal impact on State or local government.

Date Completed: 5-6-97

Fiscal Analyst: J. Walker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.