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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 1219 (Substitute S-1 as reported)  
Sponsor: Senator Bill Bullard, Jr.  
Committee: Financial Services

### **CONTENT**

The bill would amend Chapter 11 (Reinsurance) of the Insurance Code to establish requirements and criteria for allowing a ceding insurer credit for reinsurance ceded; revise requirements for a trust fund for reinsurance ceded under reinsurance agreements for a group including incorporated and individual unincorporated underwriters; delete a provision that permits the Commissioner of Financial and Insurance Services to allow a credit that does not meet the Code's requirements; require that the trust agreement for reinsurance credit contain certain provisions; and specify solvency provisions in a reinsurance agreement and in life or health insurance policy obligations.

MCL 500.1101 et. al

Legislative Analyst: N. Nagata

### **FISCAL IMPACT**

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

Date Completed: 5-8-00

Fiscal Analyst: M. Tyszkiewicz