

SENATE BILL No. 604

July 11, 2001, Introduced by Senator GARCIA and referred to the Committee on Financial Services.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending sections 2468 and 2662 (MCL 500.2468 and 500.2662).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2468. (1) The commissioner ~~shall, at least once in 5~~
2 ~~years,~~ MAY make or cause to be made an examination of each
3 rating organization licensed in this state ~~as provided in~~ UNDER
4 section 2436, ~~and he may, as often as he may deem it expedient,~~
5 ~~make or cause to be made an examination of~~ each advisory organi-
6 zation referred to in section 2462, and of each group,
7 association, or other organization referred to in section 2464.
8 The reasonable costs of ~~any such~~ THE examination shall be paid
9 by the rating organization, advisory organization, or group,
10 association, or other organization examined upon presentation to
11 it of a detailed account of ~~such~~ THOSE costs. The officer,

SB 604, As Passed Senate, October 10, 2001

2

1 manager, agents, and employees of ~~such~~ THE rating organization,
2 advisory organization, or group, association, or other organiza-
3 tion may be examined at any time under oath and shall exhibit all
4 books, records, accounts, documents, or agreements governing its
5 method of operation. ~~Any such~~ THE examination ~~shall be~~ IS
6 subject to the procedure provided for in section 222 ~~,~~ relating
7 to examinations of insurance companies.

8 (2) ~~In lieu of any such examination~~ INSTEAD OF AN EXAMINA-
9 TION UNDER SUBSECTION (1), the commissioner may accept the report
10 of an examination made by the insurance supervisory official of
11 another state, pursuant to the laws of ~~such~~ THAT state.

12 Sec. 2662. (1) The commissioner ~~shall, at least once in 5~~
13 ~~years,~~ MAY make or cause to be made an examination of each
14 rating organization licensed in this state ~~as provided in~~ UNDER
15 section 2630, ~~and he may, as often as he may deem it expedient,~~
16 ~~make or cause to be made an examination of~~ each advisory organi-
17 zation referred to in section 2654, and of each group,
18 association, or other organization referred to in section 2658.
19 The reasonable costs of ~~any such~~ THE examination shall be paid
20 by the rating organization, advisory organization, or group,
21 association, or other organization examined upon presentation to
22 it of a detailed account of ~~such~~ THOSE costs. The officers,
23 managers, agents, and employees of ~~such~~ THE rating organiza-
24 tion, advisory organization, or group, association, or other
25 organization may be examined at any time under oath and shall
26 exhibit all books, records, accounts, documents, or agreements
27 governing its method of operation. ~~Any such~~ THE examination

SB 604, As Passed Senate, October 10, 2001

3

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2 222 relating to examinations of insurance companies.

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