

HOUSE BILL No. 5281

November 6, 2003, Introduced by Rep. Mortimer and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 410a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 410a. (1) To qualify for and maintain authority to
2 transact insurance in this state solely as a bail bond surety
3 company on or after February 1, 2004, a foreign insurer in good
4 standing in its state of domicile that is owned by a Michigan
5 domiciled insurance holding company subject to regulation by the
6 commissioner shall possess and thereafter maintain unimpaired
7 capital and surplus in an amount determined adequate by the
8 commissioner to continue to comply with section 403 but not less
9 than \$4,500,000.00 and have, in addition, not less than
10 \$3,000,000.00 in current guarantees and security with respect to
11 bail bonds issued by the insurer in states in which it is then

1 authorized.

2 (2) The commissioner shall take into account the risk based
3 capital requirements as developed by the national association of
4 insurance commissioners and the claims history for Michigan bail
5 bonds issued by the licensed bail bond agencies for which the
6 insurer will be or is issuing bail bonds in Michigan in order to
7 determine adequate compliance with section 403.