

# Legislative Analysis

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## **PROPERTY-CASUALTY INSURER: ALLOW GIFT TO CUSTOMER OF \$10 OR LESS**

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**House Bill 5332**

**Sponsor: Rep. Richard Ball**

**Committee: Insurance**

**Complete to 10-19-05**

### **A SUMMARY OF HOUSE BILL 5332 AS INTRODUCED 10-19-05**

The bill would amend the Insurance Code to allow a property-casualty insurance company to give a customer (an insured or applicant) an article of merchandise with an invoice value of \$10 or less.

Specifically, the bill says that beginning January 1, 2006, such a gift is not to be construed as prohibited under Sections 2024, 2066, or 2070 of the code.

Section 2024 deals with unfair methods of competition and prohibits rebates and special inducements in the sale of life insurance, life annuities, and accident and health insurance. Section 2066 addresses the offering of rebates and illegal inducements generally. Section 2070 generally prohibits the acceptance of rebates and illegal inducements.

MCL 500.2024b

### **FISCAL IMPACT:**

There is no fiscal impact on the State of Michigan or its local units of government.

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