

HOUSE BILL No. 6227

June 20, 2006, Introduced by Rep. Mortimer and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 8111 (MCL 500.8111), as amended by 1992 PA 182.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8111. (1) Except as provided in subsection (2), in all
2 proceedings and judicial review of these proceedings under sections
3 8109 and 8110, all records of the insurer, other documents,
4 ~~insurance bureau~~ **OFFICE OF FINANCIAL AND INSURANCE SERVICES** files,
5 and court records and papers, so far as they pertain to or are a
6 part of the record of the proceedings, are confidential and shall
7 be held by the clerk of the court in a confidential file except as
8 is necessary to obtain compliance therewith, unless the court,
9 after hearing arguments from the parties in chambers, orders

1 otherwise or the insurer requests that the matter be made public.

2 (2) Without compromising the confidentiality of the records of
3 the commissioner, ~~insurance bureau~~ **OFFICE OF FINANCIAL AND**
4 **INSURANCE SERVICES**, or supervisor, the commissioner or his or her
5 supervisor may advise third parties of the existence of a
6 supervision order and of the supervisor's authority if considered
7 by either of them necessary to further the insurer's compliance
8 with the supervision order. The commissioner may advise third
9 parties of the existence of a supervision order and of facts
10 pertaining to the supervision order if considered necessary by the
11 commissioner with regard to other regulatory matters affecting the
12 insurer or a person or entity related to the insurer. Third parties
13 advised under this subsection are required to keep the existence of
14 a supervision confidential. As used in this subsection, "third
15 parties" means the following persons:

16 (a) Debtors and creditors of the insurer and its affiliates.

17 (b) Persons who hold or control assets of the insurer and its
18 affiliates.

19 (c) Reinsurers of the insurer and its affiliates.

20 (d) Insurance regulatory officials.

21 (e) Law enforcement agencies.

22 **(F) THE WORKERS' COMPENSATION AGENCY.**

23 **(G) REPRESENTATIVES OF A GUARANTY ASSOCIATION OR FOREIGN**
24 **GUARANTY ASSOCIATION THAT MAY BECOME OBLIGATED AS A RESULT OF THE**
25 **INSOLVENCY OF THE INSURER. CONFIDENTIALITY OBLIGATIONS OF A**
26 **GUARANTY ASSOCIATION OR FOREIGN GUARANTY ASSOCIATION TO THE**
27 **RECEIVER END UPON THE ENTRY OF AN ORDER OF LIQUIDATION WITH A**

1 **FINDING OF INSOLVENCY AGAINST THE INSURER.**

2 Enacting section 1. This amendatory act does not take effect
3 unless all of the following bills of the 93rd Legislature are
4 enacted into law:

5 (a) Senate Bill No.____ or House Bill No. 6235(request no.
6 07127'06).

7 (b) Senate Bill No.____ or House Bill No. 6234(request no.
8 07128'06).

9 (c) Senate Bill No.____ or House Bill No. 6233(request no.
10 07129'06).

11 (d) Senate Bill No.____ or House Bill No. 6232(request no.
12 07130'06).

13 (e) Senate Bill No.____ or House Bill No. 6231(request no.
14 07131'06).

15 (f) Senate Bill No.____ or House Bill No. 6230(request no.
16 07132'06).

17 (g) Senate Bill No.____ or House Bill No. 6229(request no.
18 07133'06).

19 (h) Senate Bill No.____ or House Bill No. 6228(request no.
20 07134'06).

21 (i) Senate Bill No.____ or House Bill No. 6226(request no.
22 07136'06).

23 (j) Senate Bill No.____ or House Bill No. 6225(request no.
24 07137'06).

25 (k) Senate Bill No.____ or House Bill No. 6224(request no.
26 07138'06).

27 (l) Senate Bill No.____ or House Bill No. 6223(request no.

1 07139'06).