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Senate Bill 901 (Substitute S-2 as reported)

Sponsor: Senator Alan Sanborn

Committee: Economic Development and Regulatory Reform

CONTENT

The bill would amend the Insurance Code to do the following:

- -- Require every property and casualty insurer doing business in Michigan to file an annual statement of actuarial opinion with the Commissioner of Financial and Insurance Regulation.
- -- Require Michigan-domiciled insurers also to file an actuarial opinion summary, and require out-of-State insurers to do so at the Commissioner's request.
- -- Require an actuarial report and underlying work papers to be prepared to support each statement of actuarial opinion.
- -- Require a statement of actuarial opinion to be filed with the insurer's required annual statement and be treated as a public document.
- -- Limit the disclosure of actuarial reports, work papers, actuarial opinion summaries, and supporting information in the possession of the Office of Financial and Insurance Regulation.
- -- Allow the Commissioner to share confidential and privileged information with certain agencies under particular circumstances as long as the confidential and privileged status were maintained.
- -- Specify that, for purposes of the bill, the Michigan Automobile Insurance Placement Facility would not be a property and casualty insurer.

The bill would take effect on January 1, 2010.

Proposed MCL 500.814a Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The requirement for property and casualty insurers to submit actuarial reports currently exists in administrative rules; thus, the bill would have no fiscal impact. Staff from the Department of Energy, Labor, and Economic Growth have indicated that the changes in the bill are necessary for the State to maintain its accreditation with the National Association of Insurance Commissioners.

Date Completed: 11-12-09 Fiscal Analyst: Elizabeth Pratt

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