



Senate Fiscal Agency
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Senate Bill 1015 (as reported without amendment)
Sponsor: Senator Lana Theis
Committee: Insurance and Banking

CONTENT

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

- Specify that a ceding insurer would be allowed credit when reinsurance was ceded to an assuming insurer that met certain conditions.
- Require the Director of the Department of Insurance and Financial Services to create and publish a list of reciprocal jurisdictions that was published through the National Association of Insurance Commissioners committee process, and allow the Director to approve a jurisdiction that did not appear on the list and remove a jurisdiction from the list under certain circumstances.
- Require the Director to create and publish a list of assuming insurers that had satisfied the conditions set forth in the bill and to which cessions would have to be granted credit, and allow the Director to add an assuming insurer to the list under certain circumstances.
- Allow the Director to revoke or suspend the eligibility of an assuming insurer if he or she determined that the assuming insurer no longer met one or more of the requirements under the bill.
- Specify that a rule promulgated under Section 1106 of the Code would not apply to cessions to an assuming insurer if it met the conditions required under the bill.

MCL 500.1103 & 500.1106

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 8-31-20

Fiscal Analyst: Elizabeth Raczkowski