

# HOUSE BILL NO. 4718

July 01, 2025, Introduced by Reps. Tate, B. Carter, McFall, Fitzgerald, Foreman, Scott, Aragona, Lightner, Robinson and Harris and referred to 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 4506.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 4506. (1) An insurer that reasonably believes or knows  
2 that a fraudulent insurance act under section 4503 has occurred  
3 involving a Michigan policyholder or a claim for benefits submitted  
4 through the assigned claims plan shall send to the director, on a  
5 form prescribed by the director, the information requested by the  
6 form and any additional information relative to the factual  
7 circumstances of the alleged fraudulent insurance act and the

1 parties claiming loss or damages that the director may require. The  
2 director shall review reports and make any further investigation  
3 the director considers necessary. If the director considers it  
4 appropriate after investigation, the director may report the  
5 suspected fraudulent insurance act to the insurer, the appropriate  
6 authorized agency, the prosecuting attorney of the county in which  
7 the fraudulent insurance act occurred, or the attorney general.

8 (2) This section does not require an insurer to submit to the  
9 director the form under subsection (1) in either of the following  
10 circumstances:

11 (a) The insurer's initial investigation indicated a  
12 potentially fraudulent insurance act, but further investigation  
13 revealed that the act was not a fraudulent insurance act.

14 (b) The insurer does not have reasonable grounds to believe  
15 that a fraudulent insurance act occurred.

16 (3) This section does not relieve an insurer of the insurer's  
17 obligations to also report suspected violations of law to an  
18 authorized agency.

19 (4) An authorized agency shall submit all papers, documents,  
20 reports, complaints, or other facts or evidence to the director on  
21 request. The authorized agency shall otherwise assist and cooperate  
22 with the director's investigation under this section.