

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2921 Board of governors as manager of pool; appointment, election, qualifications, and term of members; time of election; allotment of votes; increasing number of governors; vacancy.

Sec. 2921. (1) The pool shall be managed by a board, composed of 13 governors, each of whom shall serve for a term of 1 year. Four governors shall be appointed by the commissioner, 2 of whom shall be representative of insurance agents and 2 of whom shall be representative of the general public. Nine governors shall be elected by the participating members of the pool. The election shall be held within 60 days after the annual determination of aggregate assessable premiums for members of the pool. Each participating member shall be allotted votes equal to the number of whole dollars of aggregate assessable premiums written by the member during the preceding calendar year. Each participating member may divide its allotted votes among not more than 3 candidates' seats on the board. At least 4 members of the board of governors shall be from participating domestic members and shall be representative of all classifications of insurers to the degree possible. The number of governors may be increased by amendment of the plan of operation to a maximum of 21 governors. Two additional representatives of the general public shall be appointed by the commissioner, if the number of governors is increased. Other additional governors shall be elected by the participating members. At no time, however, shall representatives of the general public comprise more than 1/3 of the total membership of the board.

(2) Any vacancy on the board for a governor representing participating members shall be filled by a vote of the remaining governors representing those members.

(3) If at any time the participating members fail to elect the required number of governors within the time prescribed or a vacancy remains unfilled for more than 15 days, the commissioner may appoint the governors necessary to constitute a full board.

History: Add. 1968, Act 262, Eff. Aug. 1, 1968;—Am. 1971, Act 74, Eff. Aug. 1, 1971;—Am. 1979, Act 145, Eff. Mar. 1, 1980;—Am. 1980, Act 461, Imd. Eff. Jan. 15, 1981.

Popular name: Act 218

Popular name: Essential Insurance