

# SENATE BILL No. 1029

January 22, 2008, Introduced by Senators JACOBS, CLARK-COLEMAN, ANDERSON, BRATER, THOMAS, GLEASON, SCHAUER, HUNTER, CHERRY, SCOTT and CLARKE and referred to the Committee on Economic Development and Regulatory Reform.

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
by amending section 2114 (MCL 500.2114).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2114. (1) A person or organization aggrieved with respect  
2 to any filing ~~which~~ **THAT** is in effect and ~~which~~ affects the person  
3 or organization may make written application to the commissioner **OR**  
4 **TO THE ATTORNEY GENERAL** for a hearing on the filing. However, the  
5 insurer or rating organization ~~which~~ **THAT** made the filing ~~shall~~ **IS**  
6 not ~~be~~ authorized to proceed under this subsection. **AN APPLICATION**  
7 **FORM SHALL BE PREPARED BY THE COMMISSIONER AND THE ATTORNEY GENERAL**  
8 **FOR AN APPLICANT TO USE UNDER THIS SECTION.** The application shall  
9 specify the grounds to be relied upon by the applicant. If the  
10 commissioner **OR THE ATTORNEY GENERAL** finds that the application is

made in good faith, that the applicant would be so aggrieved if the grounds specified are established, or that the grounds specified otherwise justify holding a hearing, the commissioner **OR THE ATTORNEY GENERAL**, not more than 30 days after receipt of the application, shall hold a hearing in accordance with ~~Act No. 306 of the Public Acts of 1969, as amended~~ **THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328**, upon not less than 10 days' written notice to the applicant, the insurer, and the rating organization ~~which~~ **THAT** made the filing.

(2) If after hearing initiated under subsection (1) or upon the commissioner's **OR ATTORNEY GENERAL'S** own motion pursuant to ~~Act No. 306 of the Public Acts of 1969, as amended~~ **THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328**, the commissioner **OR THE ATTORNEY GENERAL** finds that a filing does not meet the requirements of sections 2109 and 2111, the commissioner **OR THE ATTORNEY GENERAL** shall issue an order stating the specific reasons for that finding. The order shall state when, within a reasonable time after issuance of the order, the filing shall be considered no longer effective. **IF THE COMMISSIONER OR THE ATTORNEY GENERAL DISAPPROVES THE FILING AS NOT BEING IN COMPLIANCE WITH SECTION 2109 BECAUSE RATES ARE EXCESSIVE OR UNFAIRLY DISCRIMINATORY, OR AS NOT BEING IN COMPLIANCE WITH SECTION 2111, HE OR SHE MAY ORDER A REFUND OF THE PREMIUM TO BE MADE TO AFFECTED POLICYHOLDERS, IN A MANNER PRESCRIBED BY THE COMMISSIONER OR THE ATTORNEY GENERAL, SO LONG AS THE AMOUNT IS SUBSTANTIAL AND EQUALS OR EXCEEDS THE COST OF MAKING THE REFUND.** A copy of the order shall be sent to the applicant, if any, and to each insurer and rating

1 organization subject to the order. ~~The~~ **EXCEPT FOR AN ADJUSTMENT**  
2 **ORDERED UNDER THIS SECTION, THE** order shall not affect a contract  
3 or policy made or issued before the date the filing becomes  
4 ineffective, as indicated in the commissioner's **OR THE ATTORNEY**  
5 **GENERAL'S** order.