

HOUSE BILL No. 5285

October 11, 2007, Introduced by Reps. Hune, Angerer, Virgil Smith, Farrah, Hopgood, Mayes, Gonzales, Gaffney, Young, Rick Jones, Wenke, Moore, David Law, Ward, Nitz, Moss, Pavlov, Calley, Marleau, Palmer, Palsrok, Hildenbrand, Brandenburg, Pastor, Moolenaar, Elsenheimer, LaJoy, Shaffer, Green, Meisner, Clemente, Griffin, Byrnes, Wojno, Polidori, Brown, Condino, Simpson, Leland, Accavitti, Gillard, Sheltroun, Cheeks, Espinoza, Lemmons, Miller, Warren, Meadows, Vagnozzi, Constan, Hammel, Hammon, Scott, Jackson, Clack, Sak, Johnson, Melton, LeBlanc, Bieda, Lindberg, Ebli, Robert Jones, Spade, Corriveau and Coulouris and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 5104 (MCL 500.5104), as amended by 1999 PA 211.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5104. ~~(1)~~—Subject to the requirements of this act
2 applicable to domestic stock insurers, domestic mutual insurers,
3 reciprocals or inter-insurance exchanges, and the further
4 requirements of this chapter, 13 or more persons may organize a
5 stock insurer or 20 or more persons may organize a mutual insurer
6 for the purpose of transacting any or all of the following kinds of
7 insurance: property, marine, inland navigation and transportation,
8 casualty, or fidelity and surety, all as defined in chapter 6. Once
9 organized and authorized, the acquiring insurer is subject to all

1 applicable provisions of this act.

2 ~~—— (2) If the acquiring insurer is a domestic stock insurer owned~~
3 ~~by a nonprofit health care corporation formed pursuant to the~~
4 ~~nonprofit health care corporation reform act, 1980 PA 350, MCL~~
5 ~~550.1101 to 550.1704, then for insurance products and services the~~
6 ~~acquiring insurer under this chapter whether directly or indirectly~~
7 ~~shall only transact worker's compensation insurance and employer's~~
8 ~~liability insurance, transact disability insurance limited to~~
9 ~~replacement of loss of earnings, and act as an administrative~~
10 ~~services organization for an approved self insured worker's~~
11 ~~compensation plan or a disability insurance plan limited to~~
12 ~~replacement of loss of earnings. This subsection does not preclude~~
13 ~~the acquiring insurer from providing either directly or indirectly~~
14 ~~noninsurance products and services as otherwise provided by law.~~

15 Enacting section 1. This amendatory act does not take effect
16 unless Senate Bill No. ____ or House Bill No. 5284 (request no.
17 03043'07) of the 94th Legislature is enacted into law.