

HOUSE BILL No. 5491

January 22, 1998, Introduced by Reps. Brown, Callahan, Bogardus, Schauer, Frank, Mans, DeHart, Schermesser, Kilpatrick, Palamara, Basham, Wojno, Parks, Price, LaForge, Prusi, Anthony, Hale, Rison, Griffin, Brewer, Quarles, Goschka, Wallace, Harder, Thomas, Tesanovich, Kelly, Scott, Leland, Vaughn, Wetters, Agee, Hanley, Brater, Hood, Mathieu, Owen, Freeman, Willard, Olshove, Baade, Dobronski, Gagliardi and Cherry and referred to the 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 3104a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3104A. (1) NO LATER THAN JUNE 1, 1998, THE MICHIGAN
2 CATASTROPHIC CLAIMS ASSOCIATION SHALL RETURN NOT LESS THAN
3 \$1,000,000,000.00 OF EXCESS PREMIUM COLLECTED TO ITS MEMBERS IN
4 PROPORTION TO THE PREMIUMS PAID BY EACH MEMBER.
5 (2) EACH ASSOCIATION MEMBER SHALL REBATE TO ITS INSUREDS ON
6 A PRO RATA BASIS THE REBATE RECEIVED UNDER SUBSECTION (1).
7 (3) AS USED IN THIS SECTION, "EXCESS PREMIUM" MEANS PREMIUMS
8 PAID BY MICHIGAN CATASTROPHIC CLAIMS ASSOCIATION MEMBERS IN
9 EXCESS OF ACTUAL AND ANTICIPATED COVERED CLAIMS AND EXPENSES OF
10 THE MICHIGAN CATASTROPHIC CLAIMS ASSOCIATION.