

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

**500.3380 Hearing and ruling by board of governors; grounds; applicability of right to hearing; filing request for hearing; hearing to be prompt and fair; appeal; order.**

Sec. 3380.

(1) Any participating member, applicant, or person insured under a policy placed through the facility may request a formal hearing and ruling by the board of governors of the facility on any of the following:

(a) An alleged violation of the plan of operation.

(b) Any alleged improper act or ruling of the facility directly affecting an assessment, premium, or coverage furnished.

(c) A participating member's application to be a recipient of distributed assignments or to service risks.

(2) A right to a hearing under subsection (1) shall not apply to any claim arising out of insurance provided by any designated participating member. A request for hearing must be filed within 30 days after the date of the alleged act or decision.

(3) The plan of operation shall provide for prompt and fair hearings.

(4) Any formal ruling by the board of governors may be appealed to the commissioner by filing notice of appeal with the facility and commissioner within 30 days after issuance of the ruling.

(5) The commissioner shall issue an order approving the action or decision, disapproving the action or decision, or directing the board of governors to reconsider the ruling.

**History:** Add. 1969, Act 346, Eff. Apr. 1, 1970 ;-- Am. 1979, Act 145, Eff. Jan. 1, 1981

**Popular Name:** Act 218

**Popular Name:** Essential Insurance