

THE INSURANCE CODE OF 1956 (EXCERPT)

Act 218 of 1956

CHAPTER 19

500.1901 Short title.

Sec. 1901. This chapter shall be known and may be cited as the “surplus lines insurance act”.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Compiler's note: Act 341 of 1980 did not provide a subject-matter heading for Chapter 19.

Popular name: Act 218

500.1902 Liberal construction and application.

Sec. 1902. This chapter shall be liberally construed and applied to promote its underlying purposes which include:

- (a) Protecting persons seeking insurance in this state.
- (b) Permitting stable and reputable insurers to write surplus lines insurance in this state.
- (c) Establishing a system of regulation which will permit an orderly access to surplus lines insurance in this state.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1903 Definitions; conflicting provisions.

Sec. 1903. (1) As used in this chapter:

- (a) “Eligible unauthorized insurer” means an insurer not authorized to transact insurance in this state but eligible to write insurance business under this chapter.
- (b) “Association” means an association registered under section 1930.
- (c) “Licensee” means a person licensed under this chapter.
- (d) “Surplus lines insurance” means insurance in this state procured from or continued or renewed with an unauthorized insurer and includes all of the following, whether effected by mail or otherwise:
 - (i) Insurance for which applications are solicited from persons resident or located in this state.
 - (ii) Insurance for which contracts of insurance are issued or delivered to persons resident or located in this state.
 - (iii) Insurance that is procured through negotiations or by an application occurring in whole or in part in this state or made within or from within this state.
 - (iv) Insurance for which premiums, in whole or in part, are remitted directly or indirectly within or from within this state.

(2) The definitions contained in subsection (1), unless the context otherwise requires, shall apply to the use of the defined terms in this chapter and shall control in the interpretation of this chapter.

(3) The definitions contained in other chapters of this act shall apply to the terms used in this chapter unless otherwise specifically provided in this chapter.

(4) Nothing contained in this section shall supersede the provisions of section 402b and in the event of conflict between the provision herein and section 402b, the latter shall govern.

History: Add. 1980, Act 341, Eff. June 23, 1981;—Am. 1994, Act 226, Imd. Eff. June 27, 1994.

Popular name: Act 218

500.1903a Contract of insurance.

Sec. 1903a. For purposes of this chapter, a written contract or similar device which offers benefits substantially similar to benefits offered under policies of insurance, whether or not the benefits are identified or described as insurance, shall constitute a contract of insurance.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1904 Rates and forms used by unauthorized insurers.

Sec. 1904. (1) Rates used by unauthorized insurers shall not be subject to this code, except that a rate shall not be unfairly discriminatory.

(2) Forms used by unauthorized insurers pursuant to this chapter shall not be subject to this code, except that a policy shall not contain language which misrepresents the true nature of the policy or class of policies.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1905 License required to act as agent or broker in transaction of surplus lines insurance; compliance; requirements for obtaining surplus lines license; permissible acts of surplus lines licensee; conditions to placement of insurance with eligible unauthorized insurer.

Sec. 1905. (1) A person shall not solicit insurance, bind coverage, or in any other manner act as an agent or broker in the transaction of surplus lines insurance unless licensed under this chapter and section 1206a.

(2) A person shall not offer, solicit, make a quotation on, sell, or issue a policy of insurance, binder, or any other evidence of insurance with an unauthorized insurer except in compliance with this chapter.

(3) To obtain a surplus lines license under subsection (1), a person shall do all of the following:

(a) File an application in the form and with the information as the commissioner may reasonably require to determine the ability of the applicant to satisfactorily act in accordance with this chapter.

(b) Complete an examination testing the applicant's understanding of this chapter, the surplus lines insurance business, and other chapters of this act, if required by the commissioner. The commissioner may waive the examination requirements for a person who has been licensed as a surplus lines licensee within the preceding 12 months.

(c) Comply with sections 1204 to 1206.

(d) Agree to file with the commissioner, not later than February 15 and August 15 annually, a sworn statement of the charges for insurance procured or placed, and the amounts returned on the insurance canceled, under the license, for the preceding 6-month period ending December 31 and June 30, respectively; and at the time of filing the statement, paying to the commissioner the 2% tax on premiums written and, instead of the costs and expenses that may be imposed by the commissioner pursuant to this chapter, a 0.5% regulatory fee on premiums written as required by section 451.

(4) A surplus lines licensee may do any or all of the following:

(a) Place insurance on risks in this state with eligible unauthorized insurers.

(b) Act in the capacity of an agent or broker, as determined by the contractual relationship with the eligible unauthorized insurer or that insurer's legal representative.

(c) Place insurance on risks in this state, with unauthorized insurers that are not eligible unauthorized insurers, in strict compliance with section 1950. If the insurance is provided through the participation of several insurers and the licensee has reason to believe that a substantial portion of the insurance would be assumed by authorized or eligible unauthorized insurers, then, with respect to the unauthorized insurers not eligible, the insured or the insured's representative shall be informed as provided in section 1950(a).

(d) Engage in any other acts expressly and implicitly authorized by this chapter and this act.

(5) Before placement of insurance with an eligible unauthorized insurer, a licensee shall inform an insured or the insured's representative that coverage is being placed with an insurer not licensed in this state and that payment of loss may not be guaranteed in the event of insolvency of the eligible unauthorized insurer.

History: Add. 1980, Act 341, Eff. June 23, 1981;—Am. 1987, Act 261, Imd. Eff. Dec. 28, 1987;—Am. 1989, Act 214, Eff. Jan. 1, 1990;—Am. 1994, Act 228, Imd. Eff. June 30, 1994;—Am. 1996, Act 548, Imd. Eff. Jan. 15, 1997;—Am. 2001, Act 228, Eff. Mar. 1, 2002.

Popular name: Act 218

500.1906 Books and records of surplus lines licensee; examination; access.

Sec. 1906. If the commissioner considers it necessary, he or she may examine the books and records of a surplus lines licensee to determine whether the licensee is conducting its business in accordance with this chapter. For the purpose of facilitating the examination, the licensee shall allow the commissioner free access, at reasonable times, to all of the licensee's books and records relating to transactions to which this chapter applies.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1910 Prohibited placement of insurance with unauthorized insurer; rebuttable presumption as to availability of coverages; list of unavailable lines of insurance; additions to or deletions from list; publication, revision, and availability of list.

Sec. 1910. (1) Insurance shall not be placed by a licensee with an unauthorized insurer when coverage is available from an authorized insurer.

(2) There shall be a rebuttable presumption that the following coverages are available from an authorized insurer:

(a) No-fault automobile insurance, as required by section 3101, which is not written for a person who is self-insuring motor vehicles pursuant to section 531 of Act No. 300 of the Public Acts of 1949, being section 257.531 of the Michigan Compiled Laws.

(b) Private passenger automobile physical damage coverage.

(c) Homeowners and property insurance on owner-occupied dwellings the value of which is less than the maximum limits of coverage which are available for the property under the general rules of the Michigan basic property insurance association.

(d) Any coverage readily available from 3 or more authorized insurers, unless the authorized insurers quote a premium and terms not competitive with the premium and terms quoted by an unauthorized insurer.

(e) Worker's compensation insurance which is not written for an employer which is partially self-insured pursuant to section 611 of Act No. 317 of the Public Acts of 1969, as amended, being section 418.611 of the Michigan Compiled Laws.

(3) There shall be a rebuttable presumption that the following coverages are unavailable from an authorized insurer:

(a) Coverages where 1 portion of the risk is acceptable to authorized insurers, but another portion of the same risk is not acceptable. The entire coverage may be placed with eligible unauthorized insurers if it can be shown that eligible unauthorized insurers will accept the entire coverage but not the rejected portion alone.

(b) Any coverage that the licensee is unable to procure after diligent search among authorized insurers.

(4) The commissioner shall maintain, on a current basis, a list of those lines of insurance for which coverages are determined by the commissioner to be generally unavailable in the authorized insurance market. Any person may request in writing that the commissioner add or remove a coverage from the current list. The commissioner shall grant or deny a request within 30 days after receiving the written request. The commissioner shall encourage dissemination of information regarding the availability of coverages, for which the public interest necessitates additions to or deletions from the list. The list shall be published at least quarterly and shall be revised as required. The commissioner shall make the list available to all licensees and other members of the public, upon request.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1911 Issuing evidence of placement of insurance with eligible unauthorized insurer; conditions; identification of entities directly assuming risk of loss; specifying obligation as joint or several; specifying proportion of obligation assumed.

Sec. 1911. (1) Only a licensee shall issue evidence of placement of insurance with an eligible unauthorized insurer. A licensee shall not issue that evidence, cause or purport to cause any risk to be insured by an eligible unauthorized insurer, or advise any insured or applicant for insurance or the representative of the insured or applicant that insurance has been or will be obtained from an eligible unauthorized insurer unless at least 1 of the following conditions is met:

(a) The licensee has prior written authority from the eligible unauthorized insurer to cause the risk to be insured.

(b) The licensee has received a written or oral communication in the ordinary course of business that the coverage has been obtained.

(c) A policy of insurance covering the insured for the risk has actually been issued by the eligible unauthorized insurer and has been delivered to the insured or the insured's representative.

(2) A prior written authority, a communication showing that insurance has been obtained, or a policy of insurance prescribed in subsection (1) shall identify entities directly assuming any risk of loss. If there is more than 1 insurer, any document issued or certified by the licensee pursuant to section 1912 shall specify whether the obligation is joint or several, and if the obligation is several, the proportion of the obligation assumed by those insurers, if known.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1912 Delivery of written evidence of insurance to insured or insured's representative; time; conditions.

Sec. 1912. If the surplus lines licensee acts in reliance on prior written authority from an eligible unauthorized insurer in accordance with section 1911(1)(a), or on a written or oral communication received in accordance with section 1911(1)(b), the licensee, within 30 days after the date on which the risk was bound or the insured or applicant was advised that coverage has been or will be obtained, shall deliver a policy, a written binder, a certificate, or other written evidence of the insurance, to the insured or the insured's

representative.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1913 Separate account of each transaction; filing certified evidence of transactions.

Sec. 1913. Each surplus lines licensee shall keep a separate account of each transaction entered into pursuant to section 1905. Certified evidence of these transactions in the form and manner prescribed by the commissioner shall be filed periodically with the commissioner, or if designated by the commissioner, with an association.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1915 Charging fee in excess of \$50.00; conditions; excessive or discriminatory fee prohibited; documentation of fees; exclusion of fees in computation of premium taxes; adjustment; "consumer price index" defined.

Sec. 1915. (1) A licensee may not charge, in addition to the premium charged by an unauthorized insurer, a fee to cover the costs incurred in the placement of the indemnity which exceeds \$50.00, unless all of the following conditions are met:

(a) The fee in excess of \$50.00 is filed with the commissioner and not disapproved by the commissioner within 30 days of the date it is filed with the commissioner.

(b) The fee exceeds \$50.00 only to the extent that the actual additional costs incurred for services performed by persons or entities unrelated to the licensee exceed that amount.

(2) A fee charged pursuant to subsection (1) shall not be excessive or discriminatory. The licensee shall maintain complete documentation of all fees charged pursuant to subsection (1)(b). Those fees shall not be included as a part of the policy premium in the computation of premium taxes.

(3) The \$50.00 fee prescribed in subsection (1) shall be adjusted June 1, 2008 and annually thereafter to reflect the percentage of change in the consumer price index.

(4) As used in this section, "consumer price index" means the consumer price index for all urban consumers in the United States city average for all items, as most recently reported by the United States department of labor, bureau of labor statistics, and as certified by the commissioner in an administrative bulletin.

History: Add. 1980, Act 341, Eff. June 23, 1981;—Am. 2006, Act 644, Imd. Eff. Jan. 5, 2007.

Popular name: Act 218

500.1916 Compensation of licensee and licensed resident agent; collection of premiums; effect of premium payment made to agent.

Sec. 1916. A licensee may be compensated by an unauthorized insurer and the licensee may compensate a licensed resident agent in this state for obtaining surplus lines insurance business. The licensed resident agent authorized by the licensee may collect a premium on behalf of a surplus lines licensee and, as between the insured and the licensee, the licensee shall be considered to have received the premium if the premium payment has been made to the agent.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1917 Liability if risk assumed and premium received by licensee.

Sec. 1917. If an unauthorized insurer has assumed a risk and if the premium for that risk has been received by the licensee who placed the insurance, then as between the insurer and the insured, the insurer shall be considered to have received the premium due to it for the coverage, and shall be liable to the insured for any loss covered by the insurance and for the unearned premium, upon cancellation of the insurance, regardless of whether the licensee is indebted to the insurer.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1920 Recognition as eligible surplus lines insurer; application; recommendations; conditions; information; examination; removal of insurer from list.

Sec. 1920. (1) A licensee shall offer surplus lines insurance only to insurers that are in a stable and unimpaired financial condition. An insurer recognized by the commissioner as an eligible surplus lines insurer pursuant to subsection (2) shall be considered to meet the requirements of this subsection. Recognition as an

eligible surplus lines insurer shall be conditioned upon the insurer's continued compliance with this chapter and rules promulgated under this chapter.

(2) An unauthorized insurer may apply for recognition as an eligible surplus lines insurer by filing an application in the form and with the information as reasonably required by the commissioner regarding the insurer's financial stability, reputation, and integrity. The commissioner may delegate to an association the power to process and to make recommendations on applications for recognition as an eligible surplus lines insurer. Notwithstanding a delegation by the commissioner, an applicant may file an application for recognition directly with the commissioner.

(3) The commissioner shall recognize an insurer making an application in accordance with subsection (2) as an eligible surplus lines insurer if he or she is satisfied that the insurer is in a stable and unimpaired financial condition and that the insurer is qualified to provide coverage in compliance with this chapter. If filed with full supporting documentation before July 1 of any year, an application submitted under subsection (2) shall be acted upon by the commissioner before December 31 of the year of submission.

(4) The commissioner shall not recognize an insurer as an eligible surplus lines insurer unless the insurer continuously maintains capital and surplus of at least \$1,500,000.00, and is safe, reliable, and entitled to public confidence. This subsection shall not be construed to require an alien insurer to file financial statements in the form required of authorized insurers under section 438. However, each alien applicant shall have current financial data filed with the national association of insurance commissioners.

(5) If the commissioner considers it necessary, he or she may request information about or examine the affairs of any eligible unauthorized insurer, at the expense of the insurer except as provided in sections 1905 and 1951, to determine whether the insurer should continue to remain on the list of eligible surplus lines insurers. If the commissioner finds that it is in the public interest to remove an insurer from the list because the insurer no longer meets the requirements of this chapter or is no longer qualified to provide coverage under this chapter, the commissioner shall do so without the necessity of a hearing.

History: Add. 1980, Act 341, Eff. June 23, 1981;—Am. 1994, Act 228, Imd. Eff. June 30, 1994.

Popular name: Act 218

500.1921 Recognition as eligible unauthorized insurer; deposit; trust fund, marketable securities, or equivalent instruments; provisions inapplicable to certain unincorporated, alien insurers; commissioner as resident agent for service of process.

Sec. 1921. (1) In addition to other requirements of this chapter, to gain recognition as an eligible unauthorized insurer in this state, an unauthorized insurer shall deposit with this state in cash, marketable securities, or other comparable instruments, at least \$75,000.00 solely for the benefit of policyholders and beneficiaries in this state, or shall maintain a trust fund in the United States in cash, marketable securities, or other substantially equivalent instruments of at least \$1,000,000.00 with a United States bank which is a member of the federal reserve system or which is regulated by the financial institutions bureau, or which is on deposit with regulatory authorities in the state of domicile of the insurer for the benefit of all United States policyholders and beneficiaries. A trust fund required under this subsection shall not have an expiration date which is at any time less than 5 years in the future, on a continuing basis. If the commissioner considers it necessary to protect the interests of policyholders and beneficiaries in this state, he or she may require an additional deposit or a larger trust fund from an insurer.

(2) Subsection (1) and section 1920(4) shall not apply to unincorporated, individual alien insurers which, in place of the requirements prescribed in subsection (1) and section 1920(4), hold in trust for all policyholders and beneficiaries in the United States not less than \$50,000,000.00, in the aggregate.

(3) Each eligible unauthorized insurer shall appoint the commissioner as its resident agent, for purposes of service of process.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1922 Notice on face of instrument evidencing surplus lines insurance.

Sec. 1922. Each policy, cover note, or other instrument evidencing surplus lines insurance which is to be delivered to an insured or a representative of an insured shall have printed, typed, or stamped in red ink upon its face, in not less than 10-point type, the following notice: "This insurance has been placed with an insurer that is not licensed by the state of Michigan. In case of insolvency, payment of claims may not be guaranteed." This notice shall not be covered over or concealed in any manner.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1930 Association of licensees; registration; purposes; required filings by association; reasons for refusal to register association; reasons for suspension or revocation of registration; denial of membership.

Sec. 1930. (1) Licensees may associate and the commissioner may register an association for 1 or more of the following purposes:

(a) Advising the commissioner as to the availability of surplus lines coverage and market practices and standards for surplus lines insurers and licensees.

(b) Collecting and furnishing records, statistics, and accounts.

(c) Submitting recommendations regarding administration of this chapter.

(2) Each association shall file with the commissioner, for approval, all of the following:

(a) A copy of the association's constitution and articles of agreement or association, or the association's certificate of incorporation and bylaws, and any rules or regulations governing the association's activities.

(b) An agreement that, as a condition of continued registration under subsection (1), the commissioner may examine the association.

(3) Each association shall file with the commissioner and keep current all of the following:

(a) A list of members.

(b) The name and address of a resident of this state upon whom notices or orders of the commissioner or process issued by the commissioner may be served.

(4) The commissioner may refuse to register, or may suspend or revoke the registration of, an association for any of the following reasons:

(a) It reasonably appears that the association will not be able to carry out the purposes of this chapter.

(b) The association fails to maintain and enforce rules which can reasonably be anticipated to assure that members of the association and persons associated with those members comply with this chapter, other applicable chapters of this code, and rules promulgated under either.

(c) The rules of the association do not assure a fair representation of its members in the selection of directors and in the administration of its affairs.

(d) The rules of the association do not provide for an equitable allocation of reasonable dues, fees, and other charges among members.

(e) The rules of the association impose a burden on competition not necessary or appropriate to the purposes of this chapter.

(f) The association fails to meet other applicable requirements prescribed in this chapter.

(5) An association shall deny membership to any person who is not a licensee.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1932 Servicing facility; establishment; reimbursement for expenses and payments; functions; approval; member licensee as servicing facility.

Sec. 1932. (1) In accordance with its bylaws, an association may establish an independent office as a servicing facility. Each servicing facility shall be reimbursed by the association for expenses incurred and for any payments made on behalf of the association. Each servicing facility may perform any of the functions of the association that officers of the association may lawfully delegate to it. In performing functions delegated to it, the facility shall act on behalf of, and in the name of, the association.

(2) Designation of servicing facilities shall be subject to the approval of a commissioner. A member licensee may serve as the servicing facility.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1933 Suits by or against association; assertion or defense of rights.

Sec. 1933. An association, in its own name or through servicing facilities, may sue or be sued and may use the courts to assert or defend any rights the association may have by virtue of this chapter which are reasonably necessary to fully implement this chapter.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1934 Filing certified audit of books, records, and trust funds.

Sec. 1934. Each association shall file annually with the commissioner a certified audit of the books and records of the association and its trust funds.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1940 Reports and recommendations regarding financial condition of eligible unauthorized insurer; reports and recommendations not considered public documents; liability for statements.

Sec. 1940. The association may submit reports and make recommendations to the commissioner regarding the financial condition of any eligible unauthorized insurer. These reports and recommendations shall not be considered to be public documents. There shall not be liability on the part of, and a cause of action of any nature shall not arise against, eligible unauthorized insurers, the association or its agents or employees, the directors, or the commissioner or authorized representatives of the commissioner, for statements made by them in any reports or recommendations made under this section.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1946 Repealed. 2000, Act 486, Imd. Eff. Jan. 11, 2001.

Compiler's note: The repealed section pertained to promulgation of rules regulating conduct of licensees.

Popular name: Act 218

500.1950 Placement of insurance with insurer which is neither an authorized insurer nor an eligible unauthorized insurer; duties of licensee.

Sec. 1950. Notwithstanding section 1920(1), a resident of this state may obtain insurance from an unauthorized insurer in this state through a licensee under this chapter. Unless the resident insists that the insurance be placed with an unauthorized insurer which is not recognized by the commissioner as eligible, the licensee shall first attempt to place the insurance with authorized insurers or, if that is not possible, with eligible unauthorized insurers before placing the insurance with an unauthorized insurer not recognized as eligible, and shall certify to the commissioner on a form prescribed by the commissioner that these attempts were made. If the insurance is placed with an insurer which is neither an authorized insurer nor an eligible unauthorized insurer, upon obtaining coverage, the licensee shall do all of the following:

(a) Mail or deliver to the resident the following notice: "This insurance has been placed with an insurer not licensed by the state of Michigan nor recognized by the insurance commissioner as an eligible unauthorized insurer. In case of any dispute relative to the terms or conditions of the policy or the practices of the insurer, the insurance commissioner may not be able to assist in the dispute. In case of insolvency, payment of claims is not guaranteed." A copy of the notice shall be filed with the commissioner.

(b) Collect from the resident insured appropriate premium taxes and report the transaction to the commissioner on a form prescribed by the commissioner. If the resident insured fails to pay the taxes when due, the insured shall be subject to a civil fine of not more than \$1,000.00, plus accrued interest from the inception of the insurance.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1951 Procuring, continuing, or renewing insurance with unauthorized insurer; report; tax on premiums; regulatory fee.

Sec. 1951. An insured in this state who, on behalf of himself or herself, or an employee in this state who, on behalf of his or her employer, procures, causes to be procured, or continues or renews insurance with an unauthorized insurer, or a self-insurer in this state who procures or continues excess loss, catastrophe, or other insurance with an unauthorized insurer, upon a subject of insurance resident, located, or to be performed within this state, other than insurance procured pursuant to section 1905 or 1950, within 30 days after the date the insurance was procured, continued, or renewed, shall file a written report regarding the insurance with the commissioner on forms prescribed by the commissioner and furnished to the insured upon request. The report shall be accompanied by a 2% tax on premiums written and, instead of the costs and expenses that may be imposed by the commissioner pursuant to this chapter, a 0.5% regulatory fee on premiums written. The report shall show all of the following:

- (a) The name and address of the insured or insureds.
- (b) The name and address of the insurer.
- (c) The subject of the insurance.
- (d) A general description of the coverage.
- (e) The amount of premium currently charged for the insurance.

(f) Any additional pertinent information, reasonably requested by the commissioner.

History: Add. 1980, Act 341, Eff. June 23, 1981;—Am. 1987, Act 261, Imd. Eff. Dec. 28, 1987;—Am. 1989, Act 214, Eff. Jan. 1, 1990;—Am. 1994, Act 228, Imd. Eff. June 30, 1994.

Popular name: Act 218

500.1952 Violation as misdemeanor; penalty.

Sec. 1952. A person who knowingly and wilfully violates or aids or abets directly or indirectly in a violation of this chapter is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year, or a fine of not more than \$1,000.00, or both.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218

500.1955 Rules implementing chapter; declaratory rulings.

Sec. 1955. The commissioner may promulgate rules to implement this chapter pursuant to Act No. 306 of the Public Acts of 1969, as amended. The commissioner may issue declaratory rulings regarding implementation of this chapter.

History: Add. 1980, Act 341, Eff. June 23, 1981.

Popular name: Act 218