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BILL ANALYSIS

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Senate Bill 26 (as introduced 1-12-05)  
Sponsor: Senator Martha G. Scott  
Committee: Banking and Financial Institutions

Date Completed: 2-1-06

### **CONTENT**

The bill would amend the Insurance Code to prohibit automobile and home insurance risks from being grouped by territory, and prohibit rates for those types of insurance from being based on territory or location.

Currently, the Code provides that automobile insurance risks and home insurance risks may be grouped by territory. Under the bill, those risks could not be grouped by territory. The bill also specifies that automobile and home insurance rates could not be based in whole or in part on territory or location of the risk.

The bill would take effect on July 1, 2006.

MCL 500.2111

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Pratt  
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.