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House Bill 6185 (as passed by the House)  
Sponsor: Representative Mary Whiteford  
House Committee: Oversight  
Senate Committee: Oversight

Date Completed: 9-20-22

### **CONTENT**

**The bill would repeal Public Act 66 of 1933, which regulates insurance corporations, fraternal benefit and other societies and associations doing an insurance business in Michigan during and under specified emergencies.**

Public Act 66 of 1933 was enacted during the Great Depression to protect the public by preserving the stability of insurance companies, preventing undue preference among policyholders, and conserving the income and assets of these insurance companies for the benefit of policyholders and creditors. The Act is effective during any period of public calamity resulting in abnormal financial losses and excessive disbursements by insurance companies, or during any financial emergency.

The Act allows the Commissioner of Insurance (i.e., the Director of the Department of Insurance and Financial Services) to prescribe limits or restrictions upon the disbursements, loans, or investment of funds. The Commissioner also is authorized to prescribe regulations that apply to any foreign insurance company doing business in the State. The Act prevents suits at law or in equity from being commenced or brought on for hearing against an insurance company when payments have been regulated by the Commissioner during a financial emergency. A person who violates the Act is guilty of a misdemeanor, and an insurance company who violates the Act may have its license revoked.

MCL 550.1-550.8

Legislative Analyst: Olivia Ponte

### **FISCAL IMPACT**

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

Fiscal Analyst: Jonah Houtz

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