

Department of Insurance and Financial Services
Insurance
Administrative Rules for Credit for Reinsurance
Rule Set 2020-132 IF

NOTICE OF PUBLIC HEARING

Tuesday, March 23, 2021

10:00 AM

This public hearing will be held virtually via Microsoft Teams to receive public comments while complying with measures designed to help prevent the spread of Coronavirus Disease 2019 (COVID-19).
<http://bit.ly/CreditForReinsuranceDraftRulesPublicHearing>

The Department of Insurance and Financial Services will hold a public hearing to receive public comments on proposed changes to the Credit for Reinsurance rule set.

These rules are promulgated under Chapter 11 of the Insurance Code of 1956 to regulate reinsurance, which occurs when an insurer cedes a portion of its risk to another insurer that assumes the risk. These rules are based on the model law and regulation promulgated by the National Association of Insurance Commissioners (NAIC). The NAIC has made changes to its model law and regulation to facilitate the consistency of state law with the “covered agreements” entered by the United States, authorized under 31 USC 313-314. The changes to the NAIC models necessitate corresponding legislative amendments and amendments to these rules to provide credit for a cession to a reinsurer in a “reciprocal jurisdiction.” The legislative amendments are contained within Senate Bill 1015’20 (PA 328 of 2020). The proposed rules would implement those legislative amendments.

By authority conferred on the Director of the Department of Insurance and Financial Services by sections 210, 1103, and 1106 of the insurance code of 1956, 1956 PA 218, MCL 500.210, 500.1103, and 500.1106, and Executive Reorganization Order No. 2013-1, MCL 550.991. These rules will take effect immediately after filing with the Secretary of State. The rules are published on the Michigan Government web site at <http://www.michigan.gov/moahr> and in the Michigan Register in the 3/15/2021 issue. Copies of the draft rules may also be obtained by mail or electronic transmission at the following address:

Department of Insurance and Financial Services
Insurance

Michele Estrada, Office of Research, Rules, and Appeals

Department of Insurance and Financial Services, Office of Research, Rules, and Appeals P.O. Box
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Email: EstradaM1@michigan.gov

Comments on the rules may be made in person at the hearing or by mail or electronic mail until 3/23/2021 at 05:00PM.

The public hearing will be conducted in compliance with the 1990 Americans with Disabilities Act, in accessible buildings with handicap parking available. Anyone needing assistance to take part in the hearings due to disability may call 517-284-8735 to make arrangements.