

**Meeting
2/27/2019**

- Meeting called to order at 7:07pm
- Pledge of Allegiance led by Reggie
- Legislation Report read by Alice;

SB1 – The Auto Insurance Rate Reduction Plan

Nesbit; January 15, 2019. Allows for a senior citizen to waive PIP on their policies, if another form of insurance pays for accidental injuries. Also allows for an individual to “choose an amount of PIP coverage that suits the individual’s needs, lifestyle, and budget.” Bill also states, “the legislature further intends when an individual selects a coverage level for personal injury protection benefits from those enumerated in statute, the individual will enjoy a corresponding savings on his/her automobile insurance premium that corresponds with the chosen benefit level.” Bill puts a pay schedule into place for all medical procedures/treatments and forbids payments to medical providers for any higher than the “statutorily determined” payment schedule. Lastly mandates a yearly “utilization review” to determine if any providers are “over-utilizing” medical treatments, products or services. If any are found to be doing so, bill provides “consequences for providers that knowingly provide false, or misleading information.” Sent to Senate Insurance & Banking Committee No change as of 2-27-2019

SB2 – Civil Asset Forfeiture

Lucido; January 15, 2019. Mandates conviction of a crime before property can be forfeited to law enforcement. Property can still be seized; however, it does not become forfeit until the individual is convicted of a crime, pleads guilty as in a plea bargain or signs an affidavit relinquishing the property. Sent to Judiciary & Public Safety Committee. Passed full Senate 2-13-19 and is in the House Judiciary Committee.

Additionally, last week’s U.S. Supreme Court decision on the practice of civil asset forfeiture means that the Eighth Amendment’s constitutional ban on excessive fines also applies to states. States cannot seize your property if the cost of that property far outweighs what was “earned” in the criminal enterprise. The case was of an Indiana man convicted of selling \$300 of heroin to undercover cops, who then seized his \$45K Land Rover. He had purchased the Land Rover with inheritance money, and he sued to get it back. SCOTUS sided with the plaintiff.

SB4 – Catastrophic Claims

Lucido; January 15, 2019. Requires “annually, within 15 days after the association charges members the total premium under subsection (7)(d), the association shall disclose to the public on its website all data used in computing the premium and expected losses and expenses including:

- The amount that covers incurred but not reported losses for the period and any adjustment for any excess or deficient premiums

from previous periods and the actuarial computation used in making these determinations, including estimates and assumptions.

Sent to the **Insurance** & Banking Committee. No change as of 2-27-19

HB4111 -- Catastrophic Claims

Berman; January 29, 2019. Mandates independent Actuary review of

Of all changes to “members” (insurances companies that pass the assessment on to customers) for the MCCA fund, requiring that Actuary to specifically state if there is a surplus, or a deficit in the fund, and then report those findings to the Legislature, as well as the members. Sent to House Insurance Committee. No change as of 2-27-19.

SB8 & SB9 – The Vehicle Insurance Verification Act

Lucido; January 15, 2019. Provides for electronic checking of vehicle insurance information by police agencies. If no insurance is on the vehicle, the Secretary of State’s Office is notified by the Department of Insurance and Financial Services to inactivate the vehicle’s registration. **SB9** provides for the electronic access to the insurance information by LEO’s. No change as of 2-27-19.

New Legislation

HB4202 – Michigan Fraud Authority

Schroeder; February 19, 2019. Creates insurance fraud authority and charges all insurance writers in the state an” assessment” in order to fund the new fraud authority. Specifically states insurance companies cannot use “premium revenue” to pay the assessment and must use “other earnings”. Referred to Insurance Committee.

HB4210 – Catastrophic Claims

Yaroch; February 19, 2019. Makes MCCA subject to Freedom of information Act. Referred to Insurance Committee.

HB4211 – PIP

Yaroch; February 19, 2019. Lets insured pick the \$555K limit; which is the limit at which MCCA benefits kick in, or “no maximum” limit, which is basically the same as PIP as is now the law. The thing is, if you pick the \$555K limit, you collect no additional funds out of MCCA; there is nothing in this bill that says if you pick the \$555K limit, you don’t have to pay the MCCA assessment. Looks like you would still pay the assessment, but not get to collect out of the fund if you were injured with costs exceeding that \$555K. Sent Insurance Committee.

- Tiny got a call from a lady from the Brothers of Freedom Riding Club. Tiny went out to their meeting on the 23rd with Alice and they explained all about what ABATE is all about.
- Seminar; Bruce was nominated Member of the Year and tonight he received his plaque. There may be a new place for the seminar next year.
- Bowling; need volunteers and need people to donate baskets so far we have Alice, Sherry, and Tiny.
- Fiz “Michael Przyblo passed away

- Summer Tour; 7-8 new stops, there are more than last year. New venue for final stop.
- Meeting adjourned at 7:53pm