

HOUSE BILL No. 5397

December 11, 1991, Introduced by Reps. Profit and Pitoniak and referred to the Committee on Insurance.

A bill to amend sections 202 and 204 of Act No. 218 of the Public Acts of 1956, entitled as amended

"The insurance code of 1956,"

being sections 500.202 and 500.204 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 202 and 204 of Act No. 218 of the
2 Public Acts of 1956, being sections 500.202 and 500.204 of the
3 Michigan Compiled Laws, are amended to read as follows:

4 Sec. 202. (1) The chief officer of the ~~department~~
5 INSURANCE BUREAU shall be known as the commissioner of
6 insurance. He OR SHE shall ~~be~~ MEET ALL OF THE FOLLOWING
7 REQUIREMENTS:

8 (A) BE a citizen of this state. ~~, shall have his~~

1 (B) HOLD office at the seat of government. ~~shall~~
2 ~~personally~~

3 (C) PERSONALLY superintend the duties of his OR HER office.
4 ~~and shall not~~

5 (D) NOT be a stockholder or directly or indirectly connected
6 with the management of affairs of any insurer. ~~He~~

7 (2) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
8 COMMISSIONER OF INSURANCE shall be appointed by the governor for
9 a term of 4 years by and with the ADVICE AND consent of the
10 senate. BEGINNING WITH THE 1994 GENERAL NOVEMBER ELECTION, AND
11 EVERY FOURTH YEAR AFTER THE 1994 GENERAL NOVEMBER ELECTION, THE
12 COMMISSIONER OF INSURANCE SHALL BE ELECTED FOR A TERM OF 4 YEARS
13 COMMENCING AT 12 NOON ON JANUARY 1 NEXT FOLLOWING THE ELECTION.
14 THE TERM OF OFFICE OF A COMMISSIONER OF INSURANCE APPOINTED
15 BEFORE JANUARY 1, 1995 SHALL EXPIRE WHEN A SUCCESSOR IS ELECTED
16 AT THE 1994 GENERAL NOVEMBER ELECTION AND QUALIFIED.

17 (3) ~~(2) Whenever~~ IF, BEFORE JANUARY 1, 1995, a vacancy
18 occurs in the office of commissioner ~~by reason of death, remov-~~
19 ~~al, or otherwise~~ OF INSURANCE, the governor shall fill ~~such~~
20 THE vacancy by appointment, by and with the advice and consent of
21 the senate, if in session.

22 Sec. 204. The commissioner OF INSURANCE shall receive
23 ~~such~~ AN annual salary as APPROPRIATED BY the legislature,
24 ~~shall appropriate,~~ payable as other state officers are paid
25 under the accounting laws of ~~the~~ THIS state. Within 15 days
26 from the ~~time~~ DAY of notice of his OR HER appointment, ~~the~~ AN
27 APPOINTED commissioner OF INSURANCE shall take and subscribe the

1 constitutional oath of office and file the ~~same~~ OATH in the
2 office of the secretary of state. ~~, and shall also within the~~
3 ~~same period~~ A COMMISSIONER OF INSURANCE, WITHIN 15 DAYS FROM THE
4 DAY OF HIS OR HER APPOINTMENT, IF APPOINTED, OR BEFORE ENTERING
5 ON THE DUTIES OF OFFICE, IF ELECTED, SHALL give to the people of
6 the state of Michigan a bond in the penal sum of \$50,000.00, with
7 sureties to be approved by the ~~auditor general~~ DIRECTOR OF THE
8 DEPARTMENT OF MANAGEMENT AND BUDGET, conditioned for the faithful
9 discharge of the duties of ~~his~~ THE office.

10 Section 2. This amendatory act shall not take effect unless
11 all of the following bills of the 86th Legislature are enacted
12 into law:

13 (a) Senate Bill No. _____ or House Bill No. 5396 (request
14 no. 05032'91).

15 (b) Senate Bill No. _____ or House Bill No. 5398 (request
16 no. 05032'91 b).