

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.2670 Violation of chapter; imposition and disposition of civil fines; suspension or revocation of license.**

Sec. 2670.

(1) Subject to subsection (3), the commissioner may, if he or she finds that any person or organization has violated any provision of this chapter, impose a civil fine of not more than \$300.00 for each violation, but if the commissioner finds the violation to be wilful, the commissioner may impose a civil fine of not more than \$1,500.00 for each violation. Civil fines imposed under this subsection may be in addition to any other penalty provided by law. A fine collected under this subsection shall be turned over to the state treasurer and credited to the general fund of the state.

(2) The commissioner may suspend the license of any rating organization or insurer which fails to comply with an order of the commissioner within the time specified by the order, or any extension of the order which the commissioner may grant. The commissioner shall not suspend the license of any rating organization or insurer for failure to comply with an order until the time prescribed for an appeal from the order has expired or if an appeal has been taken, until the order has been affirmed. The commissioner may determine when a suspension of license shall become effective, and the suspension shall remain in effect for the period fixed by the commissioner, unless he or she modifies or rescinds the suspension, or until the order upon which the suspension is based is modified, rescinded, or reversed.

(3) A civil fine shall not be imposed and a license shall not be suspended or revoked except upon a written order of the commissioner, specifying the alleged violation and stating his or her findings, made after a hearing held upon not less than 10 days' written notice to the person or organization. An order issued by the commissioner pursuant to this section shall not require the payment of civil fines exceeding \$10,000.00.

**History:** 1956, Act 218, Eff. Jan. 1, 1957 ;— Am. 1984, Act 7, Imd. Eff. Feb. 1, 1984

**Popular Name:** Act 218