

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

500.2931 Limitation on annual premiums written by or on behalf of pool; premium ratios.

Sec. 2931.

(1) At no time shall the annual premiums directly written by the pool or on its behalf by servicing facilities exceed 10% of the aggregate assessable premiums for the previous calendar year.

(2) In order to assure that property in areas of the state receives an equitable opportunity to utilize the pool up to its premium capacity, it shall be the operating principle of the pool to maintain a ratio of the total premiums written by or on behalf of the pool in any 1 county in the state in any 1 calendar year to the total authorized premiums for the pool in that same year to the same ratio that the aggregate assessed valuation of all taxable nonfarm property situated in such county, assessed at state equalized value, bears to the aggregate assessed valuation of all taxable nonfarm property in the state, assessed at state equalized value, according to the most recent available official assessed valuation figure. Pool premium writings in 1 or more counties may exceed the ratios for such counties, if it is determined by the commissioner that there is and will be authorized premium capacity in the pool which will not be required or utilized to meet basic property insurance needs in other counties in the state during the calendar year.

History: Add. 1968, Act 262, Eff. Aug. 1, 1968 ;-- Am. 1971, Act 74, Eff. Aug. 1, 1971

Popular Name: Act 218

Popular Name: Essential Insurance