



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 329 (as reported without amendment)
Sponsor: Senator Jeff Irwin
Committee: Finance, Insurance, and Consumer Protection

CONTENT

The bill would amend the Insurance Code to do the following:

- Remove the ability for an automobile insurance company to include in its underwriting rules whether an applicant had maintained insurance for the six-month period prior to the application.
- Prohibit an automobile insurance company from penalizing an insurance applicant for failing to maintain insurance.

BRIEF RATIONALE

According to testimony, some bad actors in the insurance industry have harmed residents. Meanwhile, costs rise as residents are uncertain whether they will receive from their insurance providers what their policy should require based on bad practices. Some have suggested that the insurance industry needs more deterrents for these bad practices. The bill would ensure accountability and transparency throughout the industry and more protections for residents.

MCL 500.2116b et al.

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 10-28-25

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