

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

500.2402 Definitions; data collection agency; creation; purpose; governing board; appointment, terms, and qualifications of members; conduct of business at public meeting.

Sec. 2402.

(1) As used in this act with respect to worker's compensation insurance:

(a) "Data collection agency" means an agency established for the purpose of effectuating the worker's compensation data requirements of this chapter.

(b) "Designated advisory organization" means the advisory organization designated by the data collection agency pursuant to section 2407(2).

(c) "Rate" means the cost of insurance per payroll before adjustment for an individual insured's size, exposure, or loss experience.

(d) "Rating system" means every classification, rating plan, merit rating plan, rating values, and manual, containing the rules used by an insurer in the determination of premiums.

(2) There is created a data collection agency for the purpose of effectuating the worker's compensation data requirements of this chapter. The governing board of the data collection agency shall include all of the following:

(a) Three persons who represent private insurers in this state.

(b) One person who represents the general public.

(c) One person who represents employers in this state.

(d) One person who represents the executive branch of state government.

(e) One person who is an insurance agent.

(f) The commissioner of insurance.

(3) A member of the governing board of the data collection agency shall serve for a term of 1 year.

(4) The members specified in subsection (2)(b), (c), and (e) shall be appointed by the commissioner. The member specified in subsection (2)(d) shall be appointed by the governor with the advice and consent of the senate. The members specified in subsection (2)(a) shall be appointed by the commissioner from recommendations made by the insurance industry in this state and shall be generally representative of small, medium, and large insurers.

(5) Business of the governing board of the data collection agency shall be conducted at a public meeting pursuant to the open meetings act, Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Notice of the date, time, and place of a public meeting of the governing body shall be as prescribed in Act No. 267 of the Public Acts of 1976, as amended.

History: Add. 1982, Act 7, Eff. Jan. 1, 1983 ;-- Am. 1993, Act 200, Eff. Dec. 28, 1994

Compiler's Notes: Section 3 of Act 200 of 1993 provides as follows: "Section 3. This amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws." For transfer of position of commissioner of office of financial and insurance regulation as member or chairperson of board or commission to director of department of insurance and financial services, see E.R.O. No. 2013-1, compiled at MCL 550.991.

Popular Name: Act 218