



MICHIGAN  
HOUSE OF REPRESENTATIVES  
P.O. Box 30014  
LANSING, MICHIGAN 48909-7514

MINUTES OF THE STANDING COMMITTEE ON INSURANCE

Thursday November 29, 2018 9:00 a.m. Room 519 House Office Building, Lansing

Representative Theis, Chair, called the meeting to order.

**MEMBERS PRESENT:** Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski.

**ABSENT/EXCUSED:** Representative Phelps.

Representative Gay-Dagnogo made a motion to excuse absent members. No objections being offered, absent members were excused.

Vice-Chair VanderWall made a motion to adopt the minutes from the meeting held on September 6th, 2018. No objections being offered, the minutes were accepted as presented.

The Chair laid SB 1029 before the committee.

SB 1029 (Hune) Insurance; insurers; domestic stock insurer divisions; regulate.

Sandi Cotter, representing the John Hancock Life Insurance Company, testified in support of the bill, and to the contents of the proposed amendment to SB 1029.

Jim Miller, representing the Life Insurance Association of Michigan, submitted a card in support of the bill, but did not wish to speak.

The Chair laid HB 6444 before the committee.

HB 6444 (Wentworth) Insurance; producers; agent of the insured obtaining coverage for a consumer through an agent of the insurer; allow under certain conditions.

Representative Wentworth, joined by David Walker, testified in support of the bill.

Representative Wentworth offered the following amendment to HB 6444.

1. Amend page 2, line 5, after "**BENEFICIARY.**" By inserting "**AGENT OF THE INSURER DOES NOT INCLUDE A HEALTH BENEFIT AGENT AS THAT TERM IS DEFINED IN SECTION 2 OF THE HEALTH BENEFIT AGENT ACT, 1986 PA 252, MCL 550.1002.**".

Representative Barrett moved to amend HB 6444. The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

Representative Wentworth moved to report HB 6444 with recommendation, as amended, as substitute (H-1). The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

The following people submitted cards in support of the bill, but did not wish to speak:

Matt Wesolek, representing the Michigan Association of Insurance Agents.

Karin Gyger, representing the Michigan Department of Financial Services.

Cathy Cooper, representing the Michigan Association of Health Underwriters.

The Chair laid HB 6115 before the committee.

HB 6115 (Theis) Insurance; life; certain reporting requirements in associated life policies; eliminate.

Vice-Chair VanderWall moved to report HB 6115 with recommendation. The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

The Chair laid SB 898 before the committee.

SB 898 (Hune) Insurance; other; reporting requirement for captive insurance companies; modify.

Vice-Chair VanderWall moved to report SB 898 with recommendation. The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

The following people submitted cards in support of the bill, but did not wish to speak:

Sandi Cotter, representing the John Hancock Life Insurance Company,  
Jim Miller, representing the Life Insurance Association of Michigan.

The Chair returned to SB 1029.

Chair Theis offered the following amendment to SB 1029.

1. Amend page 7, following line 3, by inserting:  
**“(3) WITHIN 10 BUSINESS DAYS AFTER FILING THE PLAN OF DIVISION WITH THE DIRECTOR OF THE DEPARTMENT, THE DIVIDING INSURER SHALL PROVIDE REASONABLE NOTICE OF THE FOLING TO EACH REINSURER THAT IS A PARTY TO A REINSURANCE CONTRACT ALLOCATED IN THE PLAN OF DIVISION.”.**

Vice-Chair VanderWall moved to amend SB 1029. The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

Vice-Chair VanderWall moved to report SB 1029, as amended, as substitute (H-1). The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

The Chair laid HB 6491 before the committee.

HB 6491 (Theis) Insurance; other; insurance data security model law; enact.

Frank Venuto, representing the American Council of Life Insurers, and Jim Miller, representing the Life Insurance Association of Michigan, testified in support of the bill. Questions and discussion followed.

Karin Gyger, representing the Michigan Department of Insurance and Financial Services, testified with concerns on the bill. Questions and discussion followed.

Vice-Chair VanderWall explained the proposed substitute (H-1) to HB 6491.

Vice-Chair VanderWall moved to adopt substitute (H-1) to HB 6491. The motion prevailed 12-2-2.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Wittenberg. (12/17)**

**Nays: Representatives Hammoud, Lasinski. (2/17)**

**Pass: Representatives Griemel, Gay-Dagnogo. (2/17)**

Representative LaFave moved to report HB 6491 with recommendation, as substitute (H-1). The motion prevailed 11-2-3.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth. (11/17)**

**Nays: Representatives Hammoud, Lasinski. (2/17)**

**Pass: Representatives Griemel, Gay-Dagnogo, Wittenberg. (3/17)**

The following people submitted cards in support of the bill, but did not wish to speak:

Larry Lewis and Dusty Fancher, representing AETNA.

Matt Wesolek, representing the Michigan Association of Insurance Agents.

Chris Harkins, representing Jackson National Life Insurance Company.

Dyck Van Koevering, representing the Insurance Alliance of Michigan.

The Chair laid HB 6432 before the committee.

HB 6432 (Webber) Insurance; insurers; persons authorized to sell health benefits; modify, and eliminate restriction for an employee of a health benefit corporation from being licensed as an agent.

Representative Webber testified in support of the bill. Questions and discussion followed.

Gabe Basso, representing Blue Cross Blue Shield of Michigan, testified in support of the bill.

Cathy Cooper, representing the Michigan Association of Health Underwriters, testified in opposition to the bill. Questions and discussion followed.

Matt Wesolek, representing the Michigan Association of Insurance Agents, submitted a card in opposition to the bill, but did not wish to speak.

Vice-Chair VanderWall moved to report HB 6432 with recommendation. The motion prevailed 14-0-2.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg. (14/17)**

**Nays: None. (0/17)**

**Pass: Representatives Hammoud, Lasinski. (2/17)**

The Chair laid HB 6520 before the committee.

HB 6520 (Theis) Insurance; insurers; corporate governancy annual disclosure model act; enact.

Karin Gyger, representing the Michigan Department of Insurance and Financial Services, testified in support of the bill. Questions and discussion followed.

Representative VanderWall explained the proposed substitute (H-1) to HB 6520.

Representative VanderWall moved to adopt substitute (H-1) to HB 6520. The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

Vice-Chair VanderWall moved to report HB 6520 with recommendation, as substitute (H-1). The motion prevailed 16-0-0.

**FAVORABLE ROLL CALL:**

**Yeas: Representatives Theis, VanderWall, Barrett, Glenn, Runestad, Vaupel, Webber, Bellino, Hoitenga, LaFave, Wentworth, Griemel, Gay-Dagnogo, Wittenberg, Hammoud, Lasinski. (16/17)**

**Nays: None. (0/17)**

**Pass: None. (0/17)**

The following people submitted a card in support of the bill, but did not wish to speak:

Dyck Van Koevering, representing the Insurance Alliance of Michigan.

Frank Venuto, representing the Michigan Council of Life Insurers.

There being no additional business before the Committee, Chair Theis declared the meeting adjourned, the time being 9:56 a.m.

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Representative Lana Theis, Chair

Dakota Soda, Committee Clerk (517) 373-0350