



# **Fiscal Year 2021 Budget Presentation**

## **Director Anita G. Fox**

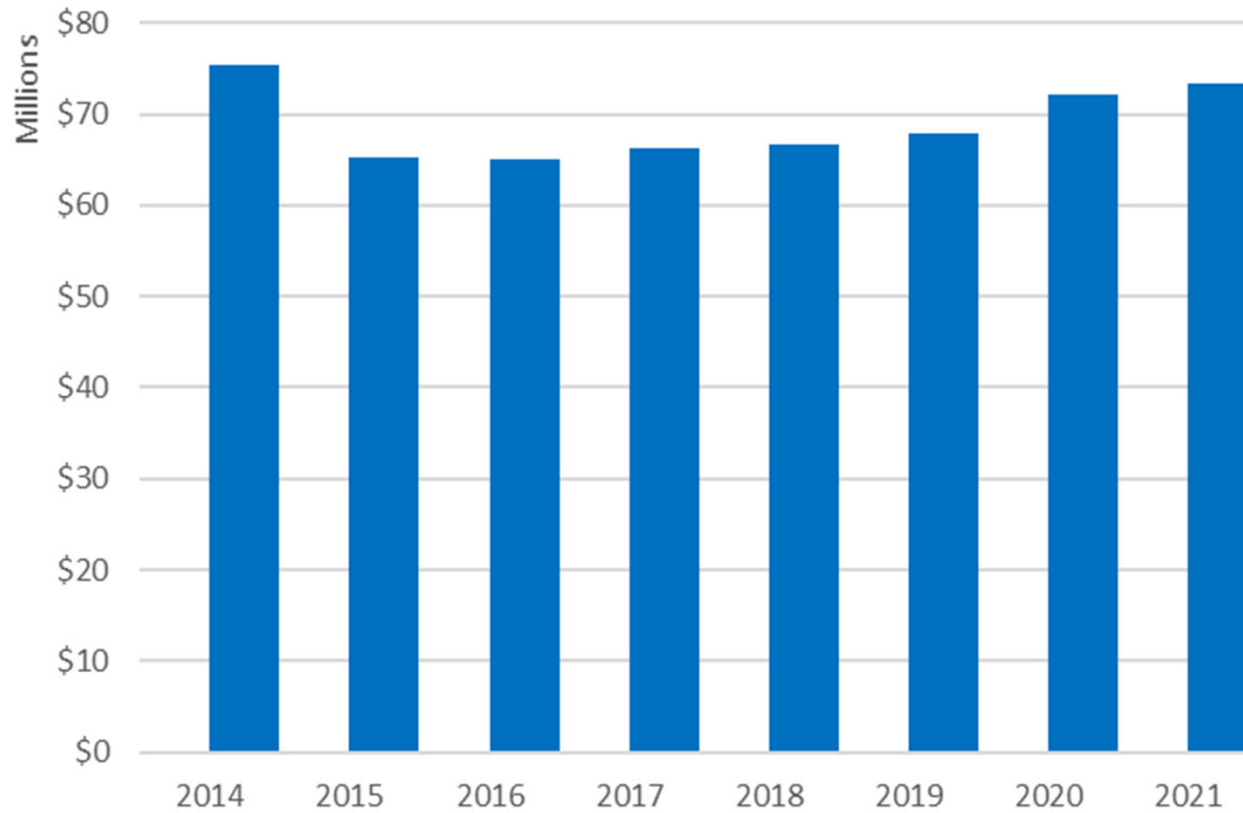


# **Overview of Department of Insurance and Financial Services (DIFS)**

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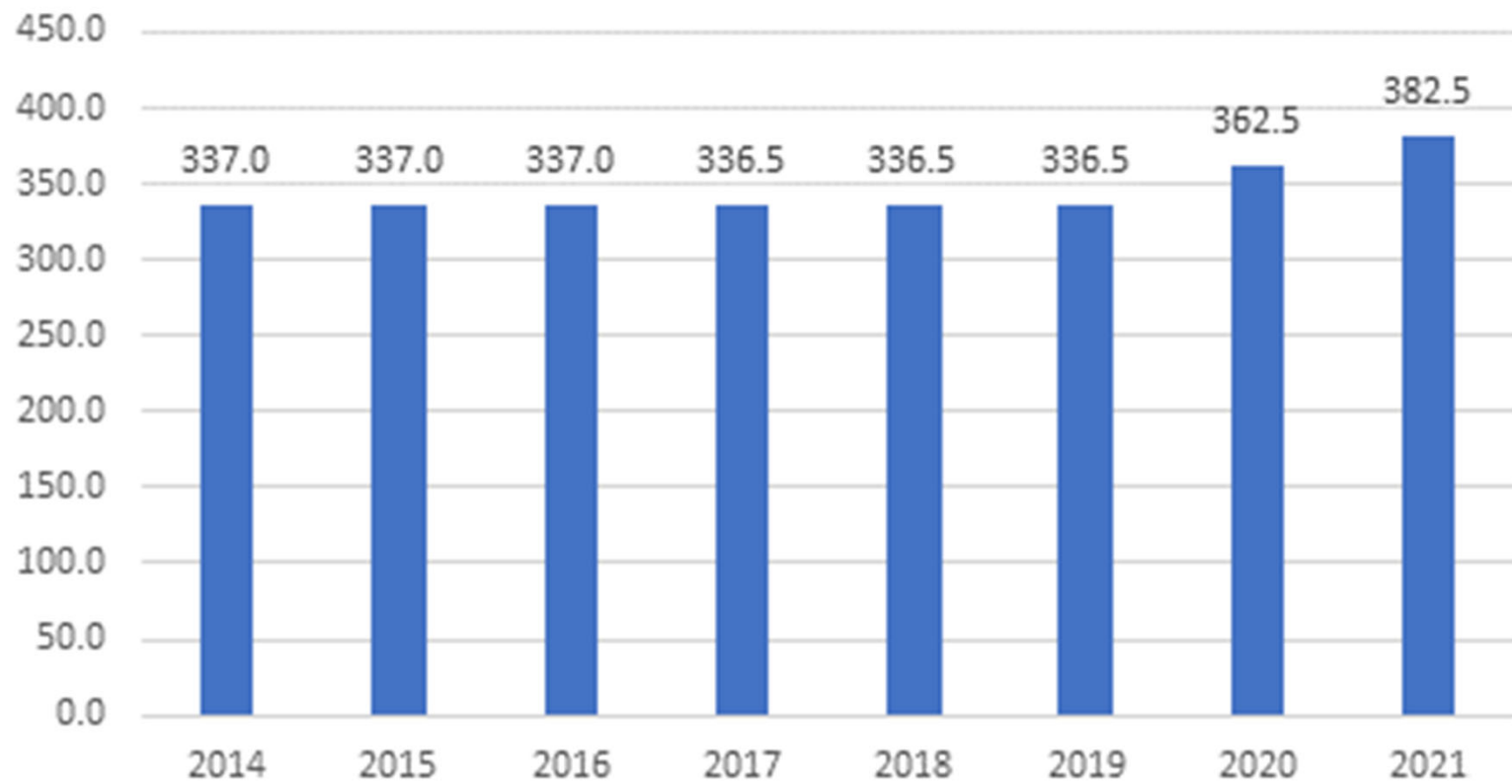
### DIFS Budget Authority FY14-21



Note: FY2013 not shown on chart as DIFS newly created, but budget within LARA until FY2014



## DIFS Classified FTE History FY 14-21



# Legislative changes impacting DIFS' work



Act No. 124  
Public Acts of 2019  
Approved by the Governor  
November 21, 2019  
Filed with the Secretary of State  
November 21, 2019  
EFFECTIVE DATE: May 21, 2020

**STATE OF MICHIGAN  
100TH LEGISLATURE  
REGULAR SESSION OF 2019**

Introduced by Rep. Hoytenga

## **ENROLLED HOUSE BILL No. 4044**

AN ACT to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over insolvent insurers, to provide for the protection of policyholders, claimants, and creditors of insolvent or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act," by amending sections 1205 and 1239 (MCL 500.1205 and 500.1239), section 1205 as amended by 2008 PA 422 and section 1239 as amended by 2008 PA 423.



## MI Money Transmitter License New Application Checklist (Company)

### CHECKLIST SECTIONS

- [General Information](#)
- [License Fees](#)
- [Requirements Completed in NMLS](#)
- [Requirements/Documents Uploaded in NMLS](#)
- [Requirements Submitted Outside of NMLS](#)

### GENERAL INFORMATION

#### Who Is Required to Have This License?

All entities providing money transmission services must obtain a money transmitter license under the [Money Transmitter License Act \(Act\), 2006 PA 250](#) and comply with the provisions of the Act. "Money transmission services" is defined as the selling or issuing of payment instruments or stored value device money or monetary value for transmission.

#### Who Does Not Need This License?

- A person acting as an authorized delegate on behalf of an entity licensed under the Act.
- A person holding a Class I license under the [Consumer Financial Services Act, 1988 PA 161](#).

# Licensee volume impacting DIFS' work



# Financial Literacy



# Overview of No-Fault Responsibilities



Act No. 21  
Public Acts of 2019  
Approved by the Governor  
May 30, 2019  
Filed with the Secretary of State  
June 11, 2019  
EFFECTIVE DATE: June 11, 2019

**STATE OF MICHIGAN  
100TH LEGISLATURE  
REGULAR SESSION OF 2019**

Introduced by Senators Nesbitt, Theis, LaSata, Horn, McBroom, Barrett, Lauwers and VanderWall

## **ENROLLED SENATE BILL No. 1**

AN ACT to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain

repeal acts and parts of acts; and to provide penalties for the violation of this act," by amending sections 150, 224, 1244, 2038, 2040, 2069, 2105, 2106, 2108, 2111, 2118, 2120, 2151, 3009, 3101, 3101a, 3104, 3107, 3109a, 3111, 3112, 3113, 3114, 3115, 3135, 3142, 3145, 3148, 3151, 3157, 3163, 3172, 3173a, 3174, 3175, and 3177 (MCL 500.150, 500.224, 500.1244, 500.2038, 500.2040, 500.2069, 500.2105, 500.2106, 500.2108, 500.2111, 500.2118, 500.2120, 500.2151, 500.3009, 500.3101, 500.3101a, 500.3104, 500.3107, 500.3109a, 500.3111, 500.3112, 500.3113, 500.3114, 500.3115, 500.3135, 500.3142, 500.3145, 500.3148, 500.3151, 500.3157, 500.3163, 500.3172, 500.3173a, 500.3174, 500.3175, and 500.3177), section 150 as amended by 1992 PA 182, section 224 as amended by 2007 PA 187, section 1244 as amended by 2001 PA 228, section 2069 as amended by 1989 PA 306, section 2108 as amended by 2015 PA 141, section 2111 as amended by 2012 PA 441, sections 2118 and 2120 as amended by 2007 PA 35, section 2151 as added by 2012 PA 165, sections 3009 and 3113 as amended by 2016 PA 346, section 3101 as amended by 2017 PA 140, section 3101a as amended by 2018 PA 510, section 3104 as amended by 2002



No-Fault Responsibilities Continued

# Rate and Form Filing Review





No-Fault Responsibilities Continued

# Utilization Review





**No-Fault Responsibilities Continued**

# **Communication, Education, and Outreach**



[michigan.gov/autoinsurance](https://michigan.gov/autoinsurance)



# Michigan's New Auto Insurance Law

LAW CHANGES ▾

CHOOSING COVERAGE ▾

SHOPPING TIPS

FILE A COMPLAINT

REPORT FRAUD

INDUSTRY RESOURCES

CONTACT DIFS

## A BETTER SYSTEM

Governor Whitmer signed historic bipartisan auto no-fault legislation to **lower costs** for Michigan drivers, maintain the highest coverage options in the country, and strengthen **consumer protections**. The legislation creates a better no-fault system for drivers. These changes will apply to policies issued or renewed after July 1, 2020.

## RESOURCES FOR DRIVERS



Lower Costs



Consumer



New Options to



Shopping Tips



File a Complaint



Consumer Guides

**[autoinsurance@michigan.gov](mailto:autoinsurance@michigan.gov)**



# 833-ASK-DIFS





# Consumer Protection



# Fraud Investigation Unit





# Report Insurance Fraud

Insurance fraud is not a victimless crime. It costs us all.

