

**STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES**

	<b>Docket No.</b>	<b>2009-725</b>
	<b>Agency No:</b>	<b>09-736-INS</b>
<b>In the matter of Fees Imposed by the National Association of Insurance Commissioners, Petitioner</b>	<b>Agency:</b>	<b>Office of Financial and Insurance Regulation</b>
_____ /	<b>Case Type:</b>	<b>Fees Imposed</b>

**Issued and entered  
this 3<sup>rd</sup> day of June, 2009  
by Renee Ozburn  
Administrative Law Judge**

**ORDER CANCELING HEARING AND SCHEDULING PREHEARING CONFERENCE**

On April 3, 2009, the Office of Financial and Insurance Regulation (OFIR) issued an Order Referring Petition for Contested Case for Hearing in response to a petition filed by the National Association of Insurance Commissioners (NAIC) on December 12, 2008. The NAIC is seeking an order authorizing insurers domiciled and authorized to transact insurance in Michigan to pay fees imposed by NAIC pursuant to Section 479 of the Insurance Code of 1956 (Code), MCL 500.479. On May 6, 2009, a Notice of Hearing was issued by the State Office of Administrative Hearings and Rules (SOAHR) scheduling a contested case hearing in this matter for July 6, 2009, in Lansing, Michigan. The Notice of Hearing states that the issue to be addressed at the hearing is as follows:

"Under Section 479 of the Insurance Code of 1956 (the Code) MCL 500.479, an insurer cannot be compelled to pay any fee imposed by NAIC unless the fee is authorized by an order of the

Commissioner pursuant to the Administrative Procedures Act of 1969, as amended (APA) MCL 24.201 et seq. In determining whether to authorize the payment of fees imposed by NAIC, the Commissioner must consider the statutory factors contained in Section 479(2) of the Code, MCL 500.479(2).”

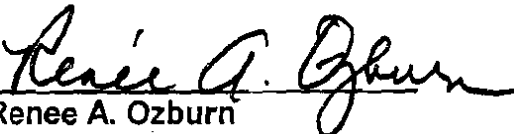
A SOAHR Proof of Service indicates that the May 6, 2009, Notice of Hearing was mailed to twenty-one (21) insurers, as “parties and/or attorneys of record in this matter”.

On May 14, 2009, OFIR’s Office of General Counsel issued a Notice of Administrative Action further explaining the nature of the NAIC petition and providing more detail on the rights and procedures associated with the contested case hearing. The Notice of Administrative Action directs parties represented by counsel to *promptly file an appearance with SOAHR*. Further, the Notice states that persons seeking to intervene can file an application to intervene under 1979 ACS 13, R 500.2118. As of June 1, 2009, only one insurer has filed an appearance. There have been no requests to intervene.

The issues for determination in this contested case have not previously been the subject of an administrative hearing in Michigan. Good cause exist to hold a prehearing conference to determine the scope of evidence, order of proofs, days of hearing and to flesh out other evidentiary and/or procedural issues.

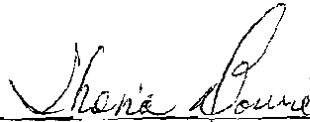
State government will be closed on Monday, July 6, 2009. **Therefore, the hearing scheduled for Monday, July 6, 2009, is cancelled. A prehearing will commence on Tuesday, July 7, 2009, at 9:00 a.m. at the State Office of Administrative Hearings and Rules, Ottawa State Office Building, 2<sup>nd</sup> Floor, 611 West Ottawa St., Lansing, Michigan.**

If any of the insurers named as parties in this matter intend to participate in the July 7, 2009 prehearing, and/or be represented by counsel, notice of intent to participate and/or an appearance should be filed with the undersigned Administrative Law Judge, no later than Friday, June 12, 2009.

  
Renee A. Ozburn  
Administrative Law Judge

PROOF OF SERVICE

I hereby state, to the best of my knowledge, information and belief, that a copy of the foregoing document was served upon all parties and/or attorneys of record in this matter by Inter-Departmental mail to those parties employed by the State of Michigan and by UPS/Next Day Air, facsimile, and/or by mailing same to them via first class mail and/or certified mail, return receipt requested, at their respective addresses as disclosed by the file on the 31 day of June, 2009.



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**PROOF OF SERVICE CONTINUED**

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