

**STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

**Bulletin 2019-08-INS**

**In the matter of**

Annual CPI Adjustment of the Surplus Lines Licensee Fee for Costs

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**Issued and entered  
this 16th day of May 2019  
by Anita G. Fox  
Director**

This bulletin supersedes Bulletin 2018-14-INS, dated June 6, 2018.

MCL 500.1915 provides in part:

(1) A licensee may not charge, in addition to the premium charged by an unauthorized insurer, a fee to cover the costs incurred in the placement of the indemnity which exceeds \$50.00, unless all the following conditions are met:

(a) The fee in excess of \$50.00 is filed with the [Director] and not disapproved by the [Director] within 30 days of the date it is filed with the [Director].

(b) The fee exceeds \$50.00 only to the extent that the actual additional costs incurred for services performed by persons or entities unrelated to the licensee exceed that amount.

(2) A fee charged pursuant to subsection (1) shall not be excessive or discriminatory. The licensee shall maintain complete documentation of all fees charged pursuant to subsection (l)(b). Those fees shall not be included as a part of the policy premium in the computation of premium taxes.

Section 1915 also requires the Director to annually adjust the fee to reflect the percentage of change in the consumer price index (CPI) for all urban consumers in the United States city average for all items, as most recently reported by the United States Department of Labor, Bureau of Labor Statistics.

By issuing this bulletin, the Director certifies that she has performed the CPI adjustment required by section 1915 of the Code, MCL 500.1915. Effective June 1, 2019, through May 31, 2020, the maximum fee a surplus lines licensee may charge for costs, without application as quoted above, is **\$64.00**.

The maximum fees that could be charged for previous years are as follows:

June 1, 2018 through May 31, 2019 — \$62  
June 1, 2017 through May 31, 2018 — \$61  
June 1, 2016 through May 31, 2017 — \$60  
June 1, 2015 through May 31, 2016 — \$59

Any questions regarding this bulletin should be directed to:

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/s/

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Anita G. Fox  
Director