

Delta Township Compiled Policy Manual

Title:	Insurance Proceeds Withholding P.A. 495 of 1980
Adoption Date:	June 3, 1991
Revision Date:	

General Purpose: Adoption of the provisions of P.A. 495 that provides a mechanism to escrow amounts withheld by insurers where a fire or explosion damaged insured structure violates existing health and safety standards.

Summary Statement of Policy: Michigan law provides a mechanism whereby township officials may be permitted to escrow amounts withheld by insurers where a fire or explosion damaged insured structure violates existing health and safety standards and to use those amounts to secure, demolish, or repair the structure or clear the property so that the structure and property are in compliance with township ordinance and local code requirements.

Actual Policy as written:

Whereas, Michigan law provides a mechanism whereby township officials may be permitted to escrow amounts withheld by insurers where a fire or explosion damaged insured structure violates existing health and safety standards and to use those amounts to secure, demolish, or repair the structure or clear the property so that the structure and property are in compliance with township ordinance and local code requirements. (PA 495 of 1980, as amended, by MCL 500.2845 ET SEQ.)

Whereas, this board is of the opinion that it will be advantageous to the health, safety, and welfare of the residents of Delta Charter Township for the township to avail itself of the opportunities provided under MCL 500.2845,

Now, therefore, be it resolved that :

1. Delta Charter Township hereby adopts the provisions of MCL 500.2845.
2. Delta Charter Township shall uniformly apply MCL 500.2845 with respect to all property located with the Township.
3. The township controller is authorized and directed to establish a trust of escrow account as provided in MCL 500.2845.
4. The township clerk is hereby authorized and directed to forward a certified copy of this resolution to the State of Michigan Insurance Commissioner requesting to be added to the commissioner's list of municipalities which have elected to apply MCL 500.2845. The provision of MCL 500.2845 shall not be applied by Delta Charter Township with respect to any loss which occurs before the effective date of the addition of Delta Charter Township to the commissioner's list.
5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.