

**SUBSTITUTE FOR  
HOUSE BILL NO. 4455**

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
by amending sections 3171, 3172, 3173a, 3174, 3175, 3320, and 3330  
(MCL 500.3171, 500.3172, 500.3173a, 500.3174, 500.3175, 500.3320,  
and 500.3330), sections 3172 and 3175 as amended and section 3173a  
as added by 1984 PA 426 and section 3320 as amended by 1980 PA 461.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 3171. (1) ~~The~~ **UNTIL AN ASSIGNED CLAIMS PLAN IS APPROVED**  
2 **UNDER SUBSECTION (3), THE** secretary of state shall organize and  
3 maintain an assigned claims facility and plan. A self-insurer and  
4 insurer writing insurance as provided by this chapter in this state  
5 shall participate in the assigned claims plan. Costs incurred in  
6 the operation of the facility and the plan shall be allocated  
7 fairly among insurers and self-insurers. The secretary of state

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1 shall promulgate rules to implement the facility and plan in  
2 accordance with and subject to ~~Act No. 306 of the Public Acts of~~  
3 ~~1969, as amended, being sections 24.201 to 24.315 of the Compiled~~  
4 ~~Laws of 1948.~~ THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA  
5 306, MCL 24.201 TO 24.328. AFTER AN ASSIGNED CLAIMS PLAN IS  
6 APPROVED UNDER SUBSECTION (3), THE SECRETARY OF STATE SHALL  
7 CONTINUE TO MAINTAIN THE ASSIGNED CLAIMS FACILITY AND PLAN  
8 ORGANIZED UNDER THIS SUBSECTION AS REQUIRED BY THE PLAN APPROVED  
9 UNDER SUBSECTION (3).

10 (2) THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY SHALL  
11 ADOPT AND MAINTAIN AN ASSIGNED CLAIMS PLAN. A SELF-INSURER OR  
12 INSURER WRITING INSURANCE AS PROVIDED BY THIS CHAPTER IN THIS STATE  
13 SHALL PARTICIPATE IN THE ASSIGNED CLAIMS PLAN. COSTS INCURRED IN  
14 THE ADMINISTRATION OF THE ASSIGNED CLAIMS PLAN SHALL BE ALLOCATED  
15 FAIRLY AMONG INSURERS AND SELF-INSURERS. ON APPROVAL UNDER  
16 SUBSECTION (3), THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT  
17 FACILITY SHALL IMPLEMENT THE ASSIGNED CLAIMS PLAN.

18 (3) BY [AUGUST 1], 2012, THE MICHIGAN AUTOMOBILE INSURANCE  
19 PLACEMENT FACILITY BOARD OF GOVERNORS SHALL ADOPT AN ASSIGNED  
20 CLAIMS PLAN BY MAJORITY VOTE AND SHALL SUBMIT IT TO THE  
21 COMMISSIONER FOR HIS OR HER APPROVAL. THE COMMISSIONER SHALL REVIEW  
22 THE PLAN WITHIN 30 DAYS AND RESPOND IN WRITING AS PROVIDED IN THIS  
23 SUBSECTION. IF THE COMMISSIONER FINDS THAT THE PLAN MEETS THE  
24 REQUIREMENTS OF THIS CHAPTER, HE OR SHE SHALL APPROVE IT. IF THE  
25 COMMISSIONER FINDS THAT THE PLAN FAILS TO MEET THE REQUIREMENTS OF  
26 THIS CHAPTER, HE OR SHE SHALL STATE IN WHAT RESPECTS THE PLAN IS  
27 DEFICIENT AND SHALL AFFORD THE MICHIGAN AUTOMOBILE INSURANCE

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1 PLACEMENT FACILITY BOARD OF GOVERNORS 10 DAYS WITHIN WHICH TO  
2 CORRECT THE DEFICIENCY. IF THE COMMISSIONER AND THE MICHIGAN  
3 AUTOMOBILE INSURANCE PLACEMENT FACILITY BOARD OF GOVERNORS FAIL TO  
4 AGREE THAT THE PLAN SUBMITTED, WITH ANY CORRECTIONS, MEETS THE  
5 REQUIREMENTS OF THIS CHAPTER, EITHER PARTY TO THE CONTROVERSY MAY  
6 SUBMIT THE ISSUE TO THE CIRCUIT COURT FOR INGHAM COUNTY FOR A  
7 DETERMINATION. IF THE COMMISSIONER FAILS TO RENDER A WRITTEN  
8 DECISION ON THE ASSIGNED CLAIMS PLAN WITHIN 30 DAYS AFTER RECEIPT  
9 OF THE PLAN, THE PLAN SHALL BE CONSIDERED APPROVED. THE MICHIGAN  
10 AUTOMOBILE INSURANCE PLACEMENT FACILITY SHALL FORWARD A PLAN  
11 APPROVED UNDER THIS SUBSECTION TO THE SECRETARY OF STATE. THE PLAN  
12 TAKES EFFECT ON APPROVAL BY THE COMMISSIONER.

13 (4) AMENDMENTS TO THE ASSIGNED CLAIMS PLAN APPROVED UNDER  
14 SUBSECTION (3) SHALL BE ADOPTED BY THE BOARD OF GOVERNORS AND  
15 APPROVED BY THE COMMISSIONER AS PROVIDED IN SUBSECTION (3). [UNTIL THE  
DATE ESTABLISHED IN THE PLAN UNDER SUBSECTION (5) (C), THE BOARD OF  
GOVERNORS SHALL GIVE THE SECRETARY OF STATE ADVANCE NOTICE OF ANY  
PROPOSED AMENDMENTS TO THE PLAN.]

16 (5) THE PLAN ADOPTED UNDER SUBSECTION (3) SHALL INCLUDE ALL OF  
17 THE FOLLOWING:

18 (A) THE DATE ON AND AFTER WHICH ALL CLAIMS FOR BENEFITS  
19 THROUGH THE ASSIGNED CLAIMS PLAN UNDER SECTION 3172 SHALL BE FILED  
20 WITH THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY.

21 (B) THE DATE BY WHICH EXISTING CLAIMS THAT HAVE BEEN ASSIGNED  
22 UNDER THE PLAN MAINTAINED BY THE SECRETARY OF STATE UNDER  
23 SUBSECTION (1) WILL BE TRANSFERRED TO THE MICHIGAN AUTOMOBILE  
24 INSURANCE PLACEMENT FACILITY TO BE INCLUDED IN AND ADMINISTERED  
25 UNDER THE ADOPTED PLAN.

26 (C) A DATE BY WHICH ALL FUNCTIONS OF THE ASSIGNED CLAIMS PLAN  
27 MAINTAINED BY THE SECRETARY OF STATE, WITH THE EXCEPTION OF DRIVER

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LICENSE AND VEHICLE SANCTIONS, WILL BE TRANSFERRED TO THE MICHIGAN  
AUTOMOBILE INSURANCE PLACEMENT FACILITY.

(D) REQUIREMENTS FOR THE TRANSFER OF RECORDS RELATING TO  
ASSIGNED CLAIMS FROM THE SECRETARY OF STATE TO THE MICHIGAN  
AUTOMOBILE INSURANCE PLACEMENT FACILITY AND THE DISPOSITION BY THE  
SECRETARY OF STATE OF RECORDS RELATING TO ASSIGNED CLAIMS.

(E) REIMBURSEMENT OF THE SECRETARY OF STATE BY THE MICHIGAN  
AUTOMOBILE INSURANCE PLACEMENT FACILITY FOR ALL OF THE FOLLOWING:

(i) EXPENSES OF DEVELOPING THE PLAN UNDER SUBSECTION (6).

(ii) EXPENSES OF TRANSFERRING OPERATIONS FROM THE ASSIGNED  
CLAIMS FACILITY TO THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT  
FACILITY.

(iii) EXPENSES INCURRED BY THE SECRETARY OF STATE AFTER THE  
TRANSFER OF OPERATIONS FROM THE ASSIGNED CLAIMS FACILITY TO THE  
MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY FOR OPERATIONS  
PERFORMED BY THE SECRETARY OF STATE ON BEHALF OF THE MICHIGAN  
AUTOMOBILE INSURANCE PLACEMENT FACILITY.

(6) THE SECRETARY OF STATE AND THE MICHIGAN AUTOMOBILE  
INSURANCE PLACEMENT FACILITY SHALL COOPERATE AND MUTUALLY DEVELOP  
THE ASPECTS OF THE PLAN TO BE ADOPTED UNDER SUBSECTION (3) THAT ARE  
REQUIRED UNDER SUBSECTION (5).

(7) THE SECRETARY OF STATE SHALL PROVIDE THE MICHIGAN  
AUTOMOBILE INSURANCE PLACEMENT FACILITY WITH ALL INFORMATION  
NECESSARY FOR THE OPERATION OF THE ASSIGNED CLAIMS FUND.

[(8) ONE YEAR AFTER THE DATE ESTABLISHED UNDER SUBSECTION (5) (C),  
THE COMMISSIONER SHALL REPORT IN WRITING TO THE SENATE AND HOUSE OF  
REPRESENTATIVES STANDING COMMITTEES ON INSURANCE ISSUES ON THE COST OF  
THE TRANSFER OF THE ASSIGNED CLAIMS PLAN TO THE MICHIGAN AUTOMOBILE  
INSURANCE PLACEMENT FACILITY AND THE EFFECTIVENESS OF OPERATIONS UNDER  
THE NEW PLAN.

(9)] AS USED IN THIS SECTION:

(A) "MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY" MEANS  
THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY CREATED UNDER

1 CHAPTER 33.

2 (B) "MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY BOARD OF  
3 GOVERNORS" MEANS THE BOARD OF GOVERNORS CREATED UNDER SECTION 3310.

4 Sec. 3172. (1) A person entitled to claim because of  
5 accidental bodily injury arising out of the ownership, operation,  
6 maintenance, or use of a motor vehicle as a motor vehicle in this  
7 state may obtain personal protection insurance benefits through an  
8 **THE** assigned claims plan if no personal protection insurance is  
9 applicable to the injury, no personal protection insurance  
10 applicable to the injury can be identified, the personal protection  
11 insurance applicable to the injury cannot be ascertained because of  
12 a dispute between 2 or more automobile insurers concerning their  
13 obligation to provide coverage or the equitable distribution of the  
14 loss, or the only identifiable personal protection insurance  
15 applicable to the injury is, because of financial inability of 1 or  
16 more insurers to fulfill their obligations, inadequate to provide  
17 benefits up to the maximum prescribed. In ~~such~~**THAT** case, unpaid  
18 benefits due or coming due ~~are subject to being~~**MAY BE** collected  
19 under the assigned claims plan ~~, and the insurer to which the claim~~  
20 ~~is assigned, or the assigned claims facility if the claim is~~  
21 ~~assigned to it,~~ is entitled to reimbursement from the defaulting  
22 insurers to the extent of their financial responsibility.

23 (2) Except as otherwise provided in this subsection, personal  
24 protection insurance benefits, including benefits arising from  
25 accidents occurring before ~~the effective date of this subsection~~  
26 **MARCH 29, 1985**, payable through an ~~THE~~ assigned claims plan shall  
27 be reduced to the extent that benefits covering the same loss are

1 available from other sources, regardless of the nature or number of  
 2 benefit sources available and regardless of the nature or form of  
 3 the benefits, to a person claiming personal protection insurance  
 4 benefits through the assigned claims plan. This subsection ~~shall~~  
 5 ~~only apply when~~ **APPLIES IF** the personal protection insurance  
 6 benefits are payable through the assigned claims plan because no  
 7 personal protection insurance is applicable to the injury, no  
 8 personal protection insurance applicable to the injury can be  
 9 identified, or the only identifiable personal protection insurance  
 10 applicable to the injury is, because of financial inability of 1 or  
 11 more insurers to fulfill their obligations, inadequate to provide  
 12 benefits up to the maximum prescribed. As used in this subsection,  
 13 "sources" and "benefit sources" do not include the program for  
 14 medical assistance for the medically indigent under the social  
 15 welfare act, ~~Act No. 280 of the Public Acts of 1939, being sections~~  
 16 ~~400.1 to 400.121 of the Michigan Compiled Laws 1939 PA 280, MCL~~  
 17 **400.1 TO 400.119B**, or insurance under the health insurance for the  
 18 aged act, title XVIII of the social security ~~amendments of 1965~~  
 19 **ACT, 42 USC 1395 TO 1395KKK-1.**

20 (3) If the obligation to provide personal protection insurance  
 21 benefits cannot be ascertained because of a dispute between 2 or  
 22 more automobile insurers concerning their obligation to provide  
 23 coverage or the equitable distribution of the loss, and if a method  
 24 of voluntary payment of benefits cannot be agreed upon among or  
 25 between the disputing insurers, all of the following ~~shall~~ apply:

26 (a) The insurers who are parties to the dispute shall, or the  
 27 claimant may, immediately notify the ~~assigned claims~~ **MICHIGAN**

1 **AUTOMOBILE INSURANCE PLACEMENT** facility of their inability to  
2 determine their statutory obligations.

3 (b) The claim shall be assigned by the ~~assigned claims~~  
4 **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility to an insurer  
5 ~~which~~ **AND THE INSURER** shall immediately provide personal protection  
6 insurance benefits to the claimant or claimants entitled to  
7 benefits.

8 (c) An action shall be immediately commenced on behalf of the  
9 ~~assigned claims~~ **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility by  
10 the insurer to whom the claim is assigned in circuit court ~~for the~~  
11 ~~purpose of declaring~~ **TO DECLARE** the rights and duties of any  
12 interested party.

13 (d) The insurer to whom the claim is assigned shall join as  
14 parties defendant **TO THE ACTION COMMENCED UNDER SUBDIVISION (C)**  
15 each insurer disputing either the obligation to provide personal  
16 protection insurance benefits or the equitable distribution of the  
17 loss among the insurers.

18 (e) The circuit court shall declare the rights and duties of  
19 any interested party whether or not other relief is sought or could  
20 be granted.

21 (f) After hearing the action, the circuit court shall  
22 determine the insurer or insurers, if any, obligated to provide the  
23 applicable personal protection insurance benefits and the equitable  
24 distribution, if any, among the insurers obligated, ~~therefor,~~ and  
25 shall order reimbursement to the ~~assigned claims~~ **MICHIGAN**  
26 **AUTOMOBILE INSURANCE PLACEMENT** facility from the insurer or  
27 insurers to the extent of the responsibility as determined by the

1 court. The reimbursement ordered under this subdivision shall  
2 include all benefits and costs paid or incurred by the ~~assigned~~  
3 ~~claims~~ **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility and all  
4 benefits and costs paid or incurred by insurers determined not to  
5 be obligated to provide applicable personal protection insurance  
6 benefits, including reasonable, **ACTUALLY INCURRED** attorney fees and  
7 interest at the rate prescribed in section 3175 as of December 31  
8 of the year preceding the determination of the circuit court.

9       Sec. 3173a. (1) The ~~assigned claims~~ **MICHIGAN AUTOMOBILE**  
10 **INSURANCE PLACEMENT** facility shall make an initial determination of  
11 ~~the~~ **A** claimant's eligibility for benefits under the assigned claims  
12 plan and shall deny an obviously ineligible claim. The claimant  
13 shall be notified promptly in writing of the denial and the reasons  
14 for the denial.

15       (2) **A PERSON WHO PRESENTS OR CAUSES TO BE PRESENTED AN ORAL OR**  
16 **WRITTEN STATEMENT, INCLUDING COMPUTER-GENERATED INFORMATION, AS**  
17 **PART OF OR IN SUPPORT OF A CLAIM TO THE MICHIGAN AUTOMOBILE**  
18 **INSURANCE PLACEMENT FACILITY FOR PAYMENT OR ANOTHER BENEFIT KNOWING**  
19 **THAT THE STATEMENT CONTAINS FALSE INFORMATION CONCERNING A FACT OR**  
20 **THING MATERIAL TO THE CLAIM COMMITS A FRAUDULENT INSURANCE ACT**  
21 **UNDER SECTION 4503 THAT IS SUBJECT TO THE PENALTIES IMPOSED UNDER**  
22 **SECTION 4511. A CLAIM THAT CONTAINS OR IS SUPPORTED BY A FRAUDULENT**  
23 **INSURANCE ACT AS DESCRIBED IN THIS SUBSECTION IS INELIGIBLE FOR**  
24 **PAYMENT OR BENEFITS UNDER THE ASSIGNED CLAIMS PLAN.**

25       Sec. 3174. A person claiming through ~~an~~ **THE** assigned claims  
26 plan shall notify the **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT**  
27 facility of his **OR HER** claim within the time that would have been



1 allowed for filing an action for personal protection insurance  
 2 benefits if identifiable coverage applicable to the claim had been  
 3 in effect. The **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility  
 4 shall promptly assign the claim in accordance with the plan and  
 5 notify the claimant of the identity and address of the insurer to  
 6 which the claim is assigned. ~~, or of the facility if the claim is~~  
 7 ~~assigned to it.~~ An action by the claimant shall not be commenced  
 8 more than 30 days after receipt of notice of the assignment or the  
 9 last date on which the action could have been commenced against an  
 10 insurer of identifiable coverage applicable to the claim, whichever  
 11 is later.

12       Sec. 3175. (1) The assignment of claims **UNDER THE ASSIGNED**  
 13 **CLAIMS PLAN** shall be made according to ~~rules~~ **PROCEDURES ESTABLISHED**  
 14 **IN THE ASSIGNED CLAIMS PLAN** that assure fair allocation of the  
 15 burden of assigned claims among insurers doing business in this  
 16 state on a basis reasonably related to the volume of automobile  
 17 liability and personal protection insurance they write on motor  
 18 vehicles or ~~of the~~ number of self-insured motor vehicles. An  
 19 insurer to whom claims have been assigned shall make prompt payment  
 20 of loss in accordance with this act. ~~and~~ **AN INSURER** is ~~thereupon~~  
 21 entitled to reimbursement by the ~~assigned claims~~ **MICHIGAN**  
 22 **AUTOMOBILE INSURANCE PLACEMENT** facility for the payments, ~~and the~~  
 23 established loss adjustment cost, ~~together with~~ **AND** an amount  
 24 determined by use of the average annual 90-day United States  
 25 treasury bill yield rate, as reported by the council of economic  
 26 advisers as of December 31 of the year for which reimbursement is  
 27 sought, as follows:

(a) For the calendar year in which claims are paid by the insurer, the amount shall be determined by applying the specified annual yield rate specified in this subsection to 1/2 of the total claims payments and loss adjustment costs.

(b) For the period from the end of the calendar year in which claims are paid by the insurer to the date payments for the operation of the ~~assigned claims facility and the assigned claims plan~~ are due, the amount ~~will~~ **SHALL** be determined by applying the annual yield rate specified in this subsection to the total claims payments and loss adjustment costs multiplied by a fraction, the denominator of which is 365 and the numerator of which is equal to the number of days that have elapsed between the end of the calendar year and the date payments for the operation of the ~~assigned claims facility and the assigned claims plan~~ are due.

(2) The insurer to whom claims have been assigned shall preserve and enforce rights to indemnity or reimbursement against third parties and account to the ~~assigned claims~~ **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility ~~therefor~~ **FOR THE RIGHTS** and shall assign ~~such~~ **THE** rights to the ~~assigned claims~~ **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility ~~upon~~ **ON** reimbursement by the ~~assigned claims~~ **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility. This section ~~shall~~ **DOES** not preclude an insurer from entering into reasonable compromises and settlements with third parties against whom rights to indemnity or reimbursement exist. The insurer shall account to the ~~assigned claims~~ **MICHIGAN AUTOMOBILE INSURANCE PLACEMENT** facility for ~~such~~ **ANY** compromises and settlements. The ~~rules promulgated under section 3171~~ shall

1 ~~include a rule establishing~~ **PROCEDURES ESTABLISHED UNDER THE**  
2 **ASSIGNED CLAIMS PLAN SHALL ESTABLISH** reasonable standards for  
3 enforcing rights to indemnity or reimbursement against third  
4 parties, including a standard establishing ~~a value for such rights~~  
5 **AN AMOUNT** below which actions to preserve and enforce the rights  
6 need not be pursued.

7 (3) An action to enforce rights to indemnity or reimbursement  
8 against a third party shall not be commenced after the later of 2  
9 years after the assignment of the claim to the insurer or 1 year  
10 after the date of the last payment to the claimant.

11 (4) Payments for the operation of the assigned claims ~~facility~~  
12 ~~and plan~~ not paid by the due date shall bear interest at the rate  
13 of 20% per annum.

14 (5) The ~~secretary of state through the~~ **MICHIGAN AUTOMOBILE**  
15 **INSURANCE PLACEMENT** facility may enter into a written agreement  
16 with the debtor permitting the payment of the judgment or  
17 acknowledgment of debt in installments payable to the **MICHIGAN**  
18 **AUTOMOBILE INSURANCE PLACEMENT** facility. **A DEFAULT IN PAYMENT OF**  
19 **INSTALLMENTS UNDER A JUDGMENT AS AGREED SUBJECTS THE DEBTOR TO**  
20 **SUSPENSION OR REVOCATION OF HIS OR HER MOTOR VEHICLE LICENSE OR**  
21 **REGISTRATION IN THE SAME MANNER AS FOR THE FAILURE BY AN UNINSURED**  
22 **MOTORIST TO PAY A JUDGMENT BY INSTALLMENTS UNDER SECTION 3177.**

23 Sec. 3320. (1) The facility, with respect to private passenger  
24 nonfleet automobiles, shall provide for all of the following:

25 (a) The equitable distribution of applicants to designated  
26 participating members in accordance with the plan of operation.

27 (b) Issuance of policies of automobile insurance to qualified

1 applicants as provided in the plan of operation.

2 (c) The appointment of a number of participating members  
3 appointed by the facility to act on behalf of the facility for the  
4 distribution of risks or for the servicing of insureds, as provided  
5 in the plan of operation and consistent with this section. The  
6 facility shall do all of the following:

7 (i) Appoint those members having the 5 highest participation  
8 ratios, as defined in section 3303(e)(i), to act on behalf of the  
9 facility.

10 (ii) Appoint other members to act on behalf of the facility who  
11 volunteer to so act and who meet reasonable servicing standards  
12 established in the plan of operation, up to a maximum of 5 in  
13 addition to those appointed pursuant to subparagraph (i).

14 (iii) Appoint additional members to act on behalf of the  
15 facility as necessary to do all of the following:

16 (A) Assure convenient access to the facility for all citizens  
17 of this state.

18 (B) Assure a reasonable quality of service for persons insured  
19 through the facility.

20 (C) Assure a reasonable representation of the various  
21 insurance marketing systems.

22 (D) Assure reasonable claims handling.

23 (E) Assure a reasonable range of choice of insurers for  
24 persons insured through the facility.

25 (d) Standards and monitoring procedures to assure that  
26 participating members acting on behalf of the facility do all of  
27 the following:

1 (i) Provide service to persons insured through the facility  
 2 equivalent to the service provided to persons insured by the  
 3 insurer voluntarily.

4 (ii) Handle claims in an efficient and reasonable manner.

5 (iii) Provide internal review procedures for persons insured  
 6 through the facility identical to those established pursuant to  
 7 chapter 21 for persons insured voluntarily.

8 (e) ~~Establish~~ **THE ESTABLISHMENT OF** procedures and guidelines  
 9 for the issuance of binders by agents upon receipt of the  
 10 application for coverage.

11 (f) ~~Provide for the issuance~~ **ISSUANCE** of policies of  
 12 automobile insurance to qualified applicants whose licenses to  
 13 operate a vehicle have been suspended pursuant to ~~UNDER~~ section  
 14 310, ~~310b~~, 310d, 315, 321a, 324, 328, 512, 515, 625, 625b, 625f,  
 15 748, 801c, or 907 of ~~Act No. 300 of the Public Acts of 1949, as~~  
 16 ~~amended, being sections~~ **THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL**  
 17 257.310, ~~257.310b~~, 257.310d, 257.315, 257.321a, 257.324, 257.328,  
 18 257.512, 257.515, 257.625, 257.625b, 257.625f, 257.748, 257.801c,  
 19 and 257.907, ~~of the Michigan Compiled Laws,~~ as provided in the plan  
 20 of operation. These policies may be canceled after a period of not  
 21 less than 30 days if the insured fails to produce proof that the  
 22 suspended license has been reinstated.

23 **(G) ADMINISTRATION OF THE ASSIGNED CLAIMS PLAN AS REQUIRED**  
 24 **UNDER CHAPTER 31.**

25 (2) Automobile insurance made available under this section  
 26 shall be equivalent to the automobile insurance normally available  
 27 in the voluntary competitive market in forms as approved by the

1 commissioner with ~~such~~**ANY** changes, additions, and amendments ~~as~~  
2 ~~are~~ adopted by the board of governors and approved by the  
3 commissioner.

4 Sec. 3330. (1) The board of governors ~~shall have all~~**HAS THE**  
5 power to direct the operation of the facility, including, at a  
6 minimum, **THE POWER TO DO** all of the following:

7 (a) To sue and be sued in the name of the facility. A judgment  
8 against the facility shall not create any liabilities in the  
9 individual participating members of the facility.

10 (b) To delegate ministerial duties, to hire a manager, to hire  
11 legal counsel, and to contract for goods and services from others.

12 (c) To assess participating members on the basis of  
13 participation ratios pursuant to section 3303 to cover anticipated  
14 costs of operation and administration of the facility, to provide  
15 for equitable servicing fees, and to share losses, profits, and  
16 expenses pursuant to the plan of operation.

17 (d) To impose limitations on cancellation or nonrenewal by  
18 participating members of facility-placed business, in addition to  
19 the limitations imposed by chapters 21 and 32.

20 (e) To provide for a limited number of participating members  
21 to receive equitable distribution of applicants; or to provide for  
22 a limited number of participating members to service applicants in  
23 a plan of sharing of losses in accordance with ~~the subsection~~  
24 **SECTION** 3320(1)(c) and the plan **OF** operation.

25 (f) To provide for standards of performance of service for the  
26 participating members designated ~~pursuant to~~**UNDER** subdivision (e).

27 (g) To adopt a plan of operation and any amendments to the

1 plan, ~~not inconsistent~~ **CONSISTENT** with this chapter, necessary to  
2 assure the fair, reasonable, equitable, and nondiscriminatory  
3 manner of administering the facility, including compliance with  
4 chapter 21, and to provide for ~~such~~ **ANY** other matters ~~as are~~  
5 necessary or advisable to implement this chapter, including matters  
6 necessary to comply with the requirements of chapter 21.

7 **(H) TO ASSESS SELF-INSURERS AND INSURERS CONSISTENT WITH**  
8 **CHAPTER 31 AND THE ASSIGNED CLAIMS PLAN APPROVED UNDER SECTION**  
9 **3171.**

10 (2) The board of governors shall institute or cause to be  
11 instituted by the facility or on its behalf an automatic data  
12 processing system for recording and compiling data relative to  
13 individuals insured through the facility. An automatic data  
14 processing system established under this subsection shall, to the  
15 greatest extent possible, be made compatible with the automatic  
16 data processing system maintained by the secretary of state, to  
17 provide for the identification and review of individuals insured  
18 through the facility.

19 Enacting section 1. Sections 3172, 3173a, 3174, and 3175 of  
20 the insurance code of 1956, 1956 PA 218, MCL 500.3172, 500.3173a,  
21 500.3174, and 500.3175, as amended by this amendatory act, take  
22 effect on the date the assigned claims plan is approved by the  
23 insurance commissioner under section 3171(3) of the insurance code  
24 of 1956, 1956 PA 218, MCL 500.3171.