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## CANCEL REGISTRATION OF UNINSURED VEHICLE

House Bills 5183 and 5186  
Sponsor: Rep. Lyn Bankes  
Committee: Insurance

Complete to 5-10-94

### A SUMMARY OF HOUSE BILLS 5183 AND 5186 AS INTRODUCED 11-4-93

Under these bills, auto insurers would be required to notify the secretary of state when a motor vehicle policy was no longer in effect and the secretary of state would have to notify the vehicle owner that the registration would be canceled if proof of insurance was not provided within 14 days. The secretary of state would be required to create and maintain a central file of registered motor vehicles carrying no-fault insurance.

House Bill 5183 would amend the Insurance Code (MCL 500.3101a) to require automobile insurers to notify the secretary of state if a policy expired without being renewed or was terminated, or if a policyholder canceled his or her policy. The notice would have to include the vehicle identification number, the name and address of the insurer, the insurance policy number, and the time and date of the expiration, termination, or cancellation.

House Bill 5186 would amend the Michigan Vehicle Code (MCL 257.328) to require the maintenance of a central file of registered motor vehicles and to require the secretary of state, when informed by an insurance company of the expiration, termination, or cancellation of an insurance policy, to notify vehicle owners that the Department of State has been so informed. The central file of vehicles would contain for each insured vehicle the vehicle identification number, the name and address of the insurer, the insurance policy number, and the effective date and expiration date of the insurance policy. (A certificate of insurance would be required to contain this same information.)

The notice to owners would be on a form prescribed by the secretary of state and would have to contain 1) a statement that the insurance company had informed the department of the expiration, termination, or cancellation and that the department had not been informed by the owner that the vehicle was insured under another policy; and 2) a statement that if the owner failed to respond to the notice before the expiration of 14 days and failed to present satisfactory proof of insurance, the registration of the vehicle would be canceled. The bill also would specifically require the secretary of state to cancel a vehicle registration unless proof of insurance was provided.

The two bills are tie-barred to one another.

House Bills 5183 and 5186 (5-10-94)