



HOUSE BILL No. 4318

February 18, 1993, Introduced by Reps. McNutt, Brackenridge, Randall, Bender, McBryde, London, DeLange, Oxender, Brown, Bullard, Middaugh, Cropsey, Shugars, Jaye, Bobier, Hill, Pitoniak and Dalman and referred to the Committee on Insurance.

A bill to amend section 3121 of Act No. 218 of the Public Acts of 1956, entitled as amended

"The insurance code of 1956,"

being section 500.3121 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 3121 of Act No. 218 of the Public Acts
2 of 1956, being section 500.3121 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 3121. (1) Under property protection insurance an
5 insurer is liable to pay benefits for accidental damage to tangi-
6 ble property arising out of the ownership, operation,
7 maintenance, or use of a motor vehicle as a motor vehicle subject
8 to the provisions of this section and sections 3123, 3125, and
9 3127. HOWEVER, MAINTENANCE OF A MOTOR VEHICLE AS A MOTOR VEHICLE
10 DOES NOT INCLUDE ACCIDENTAL DAMAGE TO TANGIBLE PROPERTY THAT

1 OCCURS WITHIN THE COURSE OF A BUSINESS OF REPAIRING, SERVICING,
2 OR OTHERWISE MAINTAINING MOTOR VEHICLES.

3 (2) Property protection insurance benefits are due under the
4 conditions stated in this chapter without regard to fault.

5 (3) Damage to tangible property consists of physical injury
6 to or destruction of the property and loss of use of the property
7 so injured or destroyed.

8 (4) Damage to tangible property is accidental, as to a
9 person claiming property protection insurance benefits, unless it
10 is suffered or caused intentionally by the claimant. Even though
11 a person knows that damage to tangible property is substantially
12 certain to be caused by his OR HER act or omission, he OR SHE
13 does not cause or suffer such damage intentionally if he OR SHE
14 acts or refrains from acting for the purpose of averting injury
15 to any person, including himself OR HERSELF, or for the purpose
16 of averting damage to tangible property.

17 (5) Property protection insurance benefits consist of the
18 lesser of reasonable repair costs or replacement costs less
19 depreciation and, ~~where~~ IF applicable, the value of loss of
20 use. However, property protection insurance benefits paid under
21 1 policy for damage to all tangible property arising from 1 acci-
22 dent shall not exceed \$1,000,000.00.