



# SENATE BILL No. 64

January 17, 1995, Introduced by Senator BERRYMAN and referred to the Committee on Financial Services.

A bill to amend sections 2103 and 2111 of Act No. 218 of the Public Acts of 1956, entitled as amended

"The insurance code of 1956,"

section 2103 as amended by Act No. 305 of the Public Acts of 1990 and section 2111 as amended by Act No. 191 of the Public Acts of 1991, being sections 500.2103 and 500.2111 of the Michigan Compiled Laws; and to add section 2111i.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 2103 and 2111 of Act No. 218 of the  
2 Public Acts of 1956, section 2103 as amended by Act No. 305 of  
3 the Public Acts of 1990 and section 2111 as amended by Act  
4 No. 191 of the Public Acts of 1991, being sections 500.2103 and  
5 500.2111 of the Michigan Compiled Laws, are amended and  
6 section 2111i is added to read as follows:

1       Sec. 2103. (1) "Eligible person", for automobile insurance,  
2 means a person who is an owner or registrant of an automobile  
3 registered or to be registered in this state or who holds a valid  
4 Michigan license to operate a motor vehicle, but does not include  
5 any of the following:

6       (a) A person who is not required to maintain security pursu-  
7 ant to section 3101, unless the person intends to reside in this  
8 state for 30 days or more and makes a written statement of that  
9 intention on a form approved by the commissioner.

10       (b) A person whose license to operate a vehicle is under  
11 suspension or revocation.

12       (c) A person who has been convicted within the immediately  
13 preceding 5-year period of fraud or intent to defraud involving  
14 an insurance claim or an application for insurance; or an indi-  
15 vidual who has been successfully denied, within the immediately  
16 preceding 5-year period, payment by an insurer of a claim in  
17 excess of \$1,000.00 under an automobile insurance policy, if  
18 there is evidence of fraud or intent to defraud involving an  
19 insurance claim or application.

20       (d) A person who, during the immediately preceding 3-year  
21 period, has been convicted under, or who has been subject to an  
22 order of disposition of the probate court for a violation of, any  
23 of the following:

24       (i) Section 324 ~~or 325~~ of the Michigan penal code, Act  
25 No. 328 of the Public Acts of 1931, ~~as amended,~~ being  
26 ~~sections~~ SECTION 750.324 ~~and 750.325~~ of the Michigan Compiled  
27 Laws; section 1 of Act No. 214 of the Public Acts of 1931, being

1 section 752.191 of the Michigan Compiled Laws; or under any other  
2 law of this state the violation of which constitutes a felony  
3 resulting from the operation of a motor vehicle.

4 (ii) Section 625 of the Michigan vehicle code, Act No. 300  
5 of the Public Acts of 1949, ~~as amended,~~ being section 257.625  
6 of the Michigan Compiled Laws.

7 (iii) Section 617, 617a, 618, or 619 of Act No. 300 of the  
8 Public Acts of 1949, ~~as amended,~~ being sections 257.617,  
9 257.617a, 257.618, and 257.619 of the Michigan Compiled Laws.

10 (iv) Section 626 of Act No. 300 of the Public Acts of 1949,  
11 ~~as amended,~~ being section 257.626 of the Michigan Compiled  
12 Laws; or for a similar violation under the laws of any other  
13 state or a municipality within or without this state.

14 ~~(v) Section 625b of Act No. 300 of the Public Acts of 1949,~~  
15 ~~as amended, being section 257.625b of the Michigan Compiled~~  
16 ~~Laws.~~

17 (e) A person whose vehicle insured or to be insured under  
18 the policy fails to meet the motor vehicle safety requirements of  
19 sections 683 to 711 of Act No. 300 of the Public Acts of 1949,  
20 ~~as amended,~~ being sections 257.683 to 257.711 of the Michigan  
21 Compiled Laws.

22 (f) A person whose policy of automobile insurance has been  
23 canceled because of nonpayment of premium or financed premium  
24 within the immediately preceding 2-year period, unless the pre-  
25 mium due on a policy for which application has been made is paid  
26 in full before issuance or renewal of the policy.

1 (g) A person who fails to obtain or maintain membership in a  
2 club, group, or organization, if membership is a uniform  
3 requirement of the insurer as a condition of providing insurance,  
4 and if the dues, charges, or other conditions for membership are  
5 applied uniformly throughout this state, are not expressed as a  
6 percentage of premium, and do not vary with respect to the rating  
7 classification of the member except for the purpose of offering a  
8 membership fee to family units. Membership fees may vary in  
9 accordance with the amount or type of coverage if the purchase of  
10 additional coverage, either as to type or amount, is not a condi-  
11 tion for reduction of dues or fees.

12 (h) ~~A~~ SUBJECT TO SECTION 2111I, A person whose driving  
13 record for the 3-year period immediately preceding application  
14 for or renewal of a policy, has, pursuant to section 2119a, an  
15 accumulation of more than 6 INSURANCE ELIGIBILITY POINTS. ~~the~~  
16 following:

17 ~~(i) Five insurance eligibility points, if the application or~~  
18 ~~renewal occurs on or before December 31, 1982.~~

19 ~~(ii) Six insurance eligibility points, if the application or~~  
20 ~~renewal occurs on or after January 1, 1983.~~

21 (2) "Eligible person", for home insurance, means a person  
22 who is the owner-occupant or tenant of a dwelling of any of the  
23 following types: a house, a condominium unit, a cooperative  
24 unit, a room, or an apartment; or a person who is the  
25 owner-occupant of a multiple unit dwelling of not more than 4  
26 residential units. Eligible person does not include any of the  
27 following:

1 (a) A person who has been convicted, in the immediately  
2 preceding 5-year period, of 1 or more of the following:

3 (i) Arson, or conspiracy to commit arson.

4 (ii) A crime under sections 72 to 77, 112, 211a, 377a, 377b,  
5 or 380 of Act No. 328 of the Public Acts of 1931, ~~as amended,~~  
6 being sections 750.72 to 750.77, 750.112, 750.211a, 750.377a,  
7 750.377b, and 750.380 of the Michigan Compiled Laws.

8 (iii) A crime under section 92, 151, 157b, or 218 of Act  
9 No. 328 of the Public Acts of 1931, ~~as amended,~~ being sections  
10 750.92, 750.151, 750.157b, and 750.218 of the Michigan Compiled  
11 Laws, based upon a crime described in subparagraph (ii) committed  
12 by or on behalf of the person.

13 (b) A person who has been successfully denied, within the  
14 immediately preceding 5-year period, payment by an insurer of a  
15 claim under a home insurance policy in excess of \$2,000.00, based  
16 on evidence of arson, conspiracy to commit arson, misrepresenta-  
17 tion, fraud, or conspiracy to commit fraud, committed by or on  
18 behalf of the person, if the amount of the denied claim was  
19 greater than any of the following:

20 (i) For a claim under a repair cost policy, 15% of the  
21 amount of insurance in force.

22 (ii) For a claim under a replacement cost policy, 10% of the  
23 amount of insurance in force.

24 (c) A person who insures or seeks to insure a dwelling  
25 ~~which~~ THAT is being used for an illegal or demonstrably hazard-  
26 ous purpose.

1 (d) A person who refuses to purchase an amount of insurance  
2 equal to at least 80% of the replacement cost of the property  
3 insured or to be insured under a replacement cost policy.

4 (e) A person who refuses to purchase an amount of insurance  
5 equal to at least 100% of the market value of the property  
6 insured or to be insured under a repair cost policy.

7 (f) A person who refuses to purchase an amount of insurance  
8 equal to at least 100% of the actual cash value of the property  
9 insured or to be insured under a tenant or renter's home insur-  
10 ance policy.

11 (g) A person whose policy of home insurance has been  
12 canceled because of nonpayment of premium within the immediately  
13 preceding 2-year period, unless the premium due on the policy is  
14 paid in full before issuance or renewal of the policy.

15 (h) A person who insures or seeks to insure a dwelling, if  
16 the insured value is not any of the following:

17 (i) For a repair cost policy, at least \$7,500.00.

18 (ii) For a replacement policy, at least \$15,000.00 or  
19 another amount ~~which~~ THAT the commissioner may establish bien-  
20 nially on and after January 1, 1983, pursuant to rules promul-  
21 gated by the commissioner under the administrative procedures act  
22 of 1969, Act No. 306 of the Public Acts of 1969, ~~as amended,~~  
23 being sections 24.201 to 24.328 of the Michigan Compiled Laws,  
24 based upon changes in applicable construction cost indices.

25 (I) ~~(j)~~ A person who insures or seeks to insure a dwelling  
26 ~~which~~ THAT does not meet minimum standards of insurability as

1 established by rules promulgated by the commissioner pursuant to  
2 Act No. 306 of the Public Acts of 1969. ~~, as amended.~~

3 (J) ~~(k)~~ A person whose real property taxes with respect to  
4 the dwelling insured or to be insured have been and are delin-  
5 quent for 2 or more years at the time of renewal of, or applica-  
6 tion for, home insurance.

7 (K) ~~(l)~~ A person who has failed to procure or maintain  
8 membership in a club, group, or organization, if membership is a  
9 uniform requirement of the insurer ~~,~~ and if the dues, charges,  
10 or other conditions for membership are applied uniformly through-  
11 out this state, are not expressed as a percentage of premium, and  
12 do not vary with respect to the rating classification of the  
13 member except for the purpose of offering a membership fee to  
14 family units. Membership fees may vary in accordance with the  
15 amount or type of coverage if the purchase of additional cover-  
16 age, either as to type or amount, is not a condition for reduc-  
17 tion of dues or fees.

18 (3) "Home insurance" means any of the following, but does  
19 not include insurance intended to insure commercial, industrial,  
20 professional, or business property, obligations, or liabilities:

21 (a) Fire insurance for an insured's dwelling of a type  
22 described in subsection (2).

23 (b) If contained in or indorsed to a fire insurance policy  
24 providing insurance for the insured's residence, other insurance  
25 intended primarily to insure nonbusiness property, obligations,  
26 and liabilities.

1 (c) Other insurance coverages for an insured's residence as  
2 prescribed by rule promulgated by the commissioner pursuant to  
3 Act No. 306 of the Public Acts of 1969. ~~, as amended.~~ A rule  
4 proposed for promulgation by the commissioner pursuant to this  
5 section shall be transmitted in advance to each member of the  
6 standing committee in the house and in the senate ~~which~~ THAT  
7 has jurisdiction over insurance.

8 (4) "Insurance eligibility points" means all of the  
9 following:

10 (a) Points calculated, according to the following schedule,  
11 for convictions, determinations of responsibility for civil  
12 infractions, or findings of responsibility in probate court:

13 (i) For a violation of ~~any~~ A lawful speed limit by more  
14 than 15 miles per hour, or careless driving, 4 points.

15 (ii) For a violation of ~~any~~ A lawful speed limit by more  
16 than 10 miles per hour, but less than 16 miles per hour, 3  
17 points.

18 (iii) For a violation of ~~any~~ A lawful speed limit by 10  
19 miles per hour or less, 2 points.

20 (iv) For a violation of ~~any~~ A speed limit by 15 miles per  
21 hour or less on a roadway ~~which~~ THAT had a lawfully posted max-  
22 imum speed of 70 miles per hour as of January 1, 1974, 2 points.

23 (v) For all other moving violations pertaining to the opera-  
24 tion of motor vehicles, 2 points.

25 (b) Points calculated, according to the following schedule,  
26 for determinations that the person was substantially at-fault, as  
27 defined in section 2104(4):

1 (i) For the first substantially at-fault accident, 3  
2 points.

3 (ii) For the second and each subsequent substantially  
4 at-fault accident, 4 points.

5 (5) "Insurer" means an insurer authorized to transact in  
6 this state the kind or combination of kinds of insurance consti-  
7 tuting automobile insurance or home insurance, as defined in this  
8 chapter.

9 Sec. 2111. (1) Notwithstanding any provision of this act  
10 and this chapter to the contrary, classifications and territorial  
11 base rates used by any insurer in this state with respect to  
12 automobile insurance or home insurance shall conform to the  
13 applicable requirements of this section.

14 (2) Classifications established pursuant to this section for  
15 automobile insurance shall be based only upon 1 or more of the  
16 following factors, which shall be applied by an insurer on a uni-  
17 form basis throughout the state:

18 (a) With respect to all automobile insurance coverages:

19 (i) Either the age of the driver; the length of driving  
20 experience; or the number of years licensed to operate a motor  
21 vehicle.

22 (ii) Driver primacy, based upon the proportionate use of  
23 each vehicle insured under the policy by individual drivers  
24 insured or to be insured under the policy.

25 (iii) Average miles driven weekly, annually, or both.

26 (iv) Type of use, such as business, farm, or pleasure use.

1 (v) Vehicle characteristics, features, and options, such as  
2 engine displacement, ability of vehicle and its equipment to  
3 protect passengers from injury and other similar items, including  
4 vehicle make and model.

5 (vi) Daily or weekly commuting mileage.

6 (vii) Number of cars insured by the insurer or number of  
7 licensed operators in the household. However, number of licensed  
8 operators shall not be used as an indirect measure of marital  
9 status.

10 (viii) Amount of insurance.

11 (b) In addition to the factors prescribed in subdivision  
12 (a), with respect to personal protection insurance coverage:

13 (i) Earned income.

14 (ii) Number of dependents of income earners insured under  
15 the policy.

16 (iii) Coordination of benefits.

17 (iv) Use of a safety belt.

18 (c) In addition to the factors prescribed in subdivision  
19 (a), with respect to collision and comprehensive coverages:

20 (i) The anticipated cost of vehicle repairs or replacement,  
21 which may be measured by age, price, cost new, or value of the  
22 insured automobile, and other factors directly relating to that  
23 anticipated cost.

24 (ii) Vehicle make and model.

25 (iii) Vehicle design characteristics related to vehicle  
26 damageability.

1 (iv) Vehicle characteristics relating to automobile theft  
2 prevention devices.

3 (d) With respect to all automobile insurance coverage other  
4 than comprehensive, successful completion by the individual  
5 driver or drivers insured under the policy of an accident preven-  
6 tion education course that meets the following criteria:

7 (i) The course shall include a minimum of 8 hours of class-  
8 room instruction.

9 (ii) The course shall include, but not be limited to, a  
10 review of all of the following:

11 (A) The effects of aging on driving behavior.

12 (B) The shapes, colors, and types of road signs.

13 (C) The effects of alcohol and medication on driving.

14 (D) The laws relating to the proper use of a motor vehicle.

15 (E) Accident prevention measures.

16 (F) The benefits of safety belts and child restraints.

17 (G) Major driving hazards.

18 (H) Interaction with other highway users such as motorcy-  
19 clists, bicyclists, and pedestrians.

20 ~~(3) Each insurer shall establish and maintain premium dis-~~  
21 ~~count plans pursuant to the following:~~

22 ~~(a) Until April 1, 1992, an automobile theft prevention pre-~~  
23 ~~mium discount plan. A premium discount plan required under this~~  
24 ~~subdivision shall provide for a premium discount for automobile~~  
25 ~~comprehensive coverage based upon the installation of an approved~~  
26 ~~automobile theft prevention device. As used in this subdivision,~~  
27 ~~"approved automobile theft prevention device" means a device that~~

~~1 is designed to prevent the theft of an insured's automobile and  
2 that is approved by the board of directors of the automobile  
3 theft prevention authority.~~

~~4 (b) Until April 1, 1992, an automobile safety belt premium  
5 discount plan. A premium discount plan required under this sub-  
6 division shall provide for a premium discount for automobile per-  
7 sonal protection insurance of not less than 20%. A premium dis-  
8 count plan established under this subdivision may require the  
9 insured individual to certify in writing that he or she will wear  
10 a safety belt while operating the insured motor vehicle in com-  
11 pliance with section 710e of the Michigan vehicle code, Act No.  
12 300 of the Public Acts of 1949, being section 257.710e of the  
13 Michigan Compiled Laws, as a condition to receiving the premium  
14 discount. If an insured receives a premium discount after pro-  
15 viding such certification and is injured while operating a motor  
16 vehicle without wearing a safety belt at the time of the injury,  
17 an insurer may subsequently deny to the insured the right to par-  
18 ticipate in any premium discount plan established by the insurer  
19 pursuant to this subdivision for a period of 12 months. An  
20 insurer that reduces its personal protection insurance rates  
21 after December 1, 1985 by not less than 20% and does not increase  
22 those rates for a period of 12 months shall be considered to be  
23 in compliance with this subdivision.~~

~~24 (3) (4) Each insurer shall establish, SUBJECT TO  
25 SECTION 2111I, a secondary or merit rating plan for automobile  
26 insurance, other than comprehensive coverage. A secondary or  
27 merit rating plan required under this subsection shall provide~~

1 for premium surcharges for any or all coverages for automobile  
2 insurance, other than comprehensive coverage, based upon any or  
3 all of the following, when that information becomes available to  
4 the insurer:

5 (a) Substantially at-fault accidents.

6 (b) Convictions for, determinations of responsibility for  
7 civil infractions for, or findings of responsibility in probate  
8 court for civil infractions for, violations under chapter VI of  
9 the Michigan vehicle code, Act No. 300 of the Public Acts of  
10 1949, ~~as amended,~~ being sections 257.601 to 257.750 of the  
11 Michigan Compiled Laws.

12 (4) ~~(5)~~ An insurer shall not establish or maintain rates  
13 or rating classifications for automobile insurance based upon sex  
14 or marital status.

15 (5) ~~(6)~~ Notwithstanding other provisions of this chapter,  
16 automobile insurance risks shall be grouped by territory, and  
17 territorial base rates for coverages shall be established as pro-  
18 vided in section 2111a and as follows:

19 (a) An insurer shall not be limited as to the number of ter-  
20 ritories employed in its rating plan.

21 (b) ~~Except during the period of time from February 28, 1986~~  
22 ~~to April 1, 1992, an~~ AN insurer shall not employ more than 20  
23 different territorial base rates for an automobile insurance  
24 coverage.

25 (c) A territorial base rate may be made applicable in 1 or  
26 more territories contained in the rating plan of the insurer.

1       (d) ~~Except during the period of time from February 28, 1986~~  
2 ~~to April 1, 1992, an~~ AN insurer shall not employ a territorial  
3 base rate for an automobile insurance package policy that is less  
4 than 45% of the highest territorial base rate for the same  
5 policy, all other rating classifications being the same.

6       (e) ~~Except during the period of time from February 28, 1986~~  
7 ~~to April 1, 1992, an~~ AN insurer shall not employ a territorial  
8 base rate in a territory for an automobile insurance package  
9 policy that is less than 90% of the territorial base rate  
10 employed in any adjacent territory for the same policy, all other  
11 rating classifications being the same.

12       (6) ~~(7) Except during the period of time from February 28,~~  
13 ~~1986 to April 1, 1992, an~~ AN insurer may elect at any time to  
14 exempt itself from the requirements of subsection ~~(6)~~ (5) by  
15 filing for an exemption with the commissioner. An insurer elect-  
16 ing this exemption shall initially file a rating plan in which no  
17 territorial base rate for an automobile insurance package policy  
18 is less than 45% of the highest territorial base rate for the  
19 same policy, all other rating classifications being the same.  
20 Five years from the date of the initial filing the insurer shall  
21 be prohibited from using a rating plan in which any territorial  
22 base rate for an automobile insurance package policy will be less  
23 than 67% of the highest territorial base rate for that same  
24 policy, all other rating classifications being the same. An  
25 insurer's election of an exemption under this subsection is per-  
26 manent, final, and not subject to change.

1       (7) ~~(8) Except during the period of time from February 28,~~  
2 ~~1986 to April 1, 1992, if~~ IF an insurer can demonstrate to the  
3 commissioner, after an opportunity for an evidentiary hearing  
4 held pursuant to the administrative procedures act of 1969, Act  
5 No. 306 of the Public Acts of 1969, ~~as amended,~~ being sections  
6 24.201 to 24.328 of the Michigan Compiled Laws, that clear and  
7 significant financial impairment exists in the geographic terri-  
8 tory or territories in question because of the need for an addi-  
9 tional territorial base rate, or for a greater variance in the  
10 adjacent geographic territory differential contained in subsec-  
11 tion ~~(6)(e)~~ (5)(E), the additional territorial base rate, a  
12 greater variance, or both, shall be permitted for use by the  
13 insurer or a licensed rating organization on behalf of that  
14 insurer, at such time as the need exists. Evidence shall not  
15 include financial impairment resulting from exemptions granted to  
16 other insurers.

17       (8) ~~(9) Except during the period of time from February 28,~~  
18 ~~1986 to April 1, 1992, if~~ IF the commissioner finds, solely on  
19 the evidence presented, that a greater variance in the adjacent  
20 geographic territory differential than that authorized under sub-  
21 section ~~(6)(e)~~ (5)(E) is justified, the increase in variance  
22 shall not exceed 100% of that authorized under that subsection.  
23 ~~Except during the period of time from February 28, 1986 to April~~  
24 ~~1, 1992, if~~ IF an increase in variance in the adjacent geo-  
25 graphic territory differential greater than 100% of that autho-  
26 rized under subsection ~~(6)(e)~~ (5)(E) is justified, the

1 commissioner shall require the creation of an additional  
2 territorial base rate.

3       (9) ~~(10) Except during the period of time from February 28,~~  
4 ~~1986 to April 1, 1992, an~~ AN exemption granted under subsections  
5 ~~(8)~~ (7) and ~~(9)~~ (8) shall be applicable only to the geo-  
6 graphic territory or territories in question, and only to the  
7 insurer requesting the exemption.

8       (10) ~~(11) Except during the period of time from February~~  
9 ~~28, 1986 to April 1, 1992, an~~ AN insurer shall not have more  
10 than 5 exemptions in force at any 1 time. For purposes of deter-  
11 mining the number of existing exemptions, each additional terri-  
12 torial base rate or each increase in variance in the adjacent  
13 geographic territory differential granted, shall be considered to  
14 be a separate exemption.

15       (11) ~~(12) This section shall not be construed as~~  
16 ~~limiting~~ DOES NOT LIMIT insurers or rating organizations from  
17 establishing and maintaining statistical reporting territories.  
18 This section ~~shall not be construed to~~ DOES NOT prohibit an  
19 insurer from establishing or maintaining, for automobile insur-  
20 ance, a premium discount plan for senior citizens in this state  
21 who are 65 years of age or older, if the plan is uniformly  
22 applied by the insurer throughout this state. If an insurer has  
23 not established and maintained such a premium discount plan for  
24 senior citizens, the insurer shall offer reduced premium rates to  
25 senior citizens in this state who are 65 years of age or older  
26 and who drive less than 3,000 miles per year, regardless of  
27 statistical data.

1 (12) ~~(13)~~ Classifications established pursuant to this  
2 section for home insurance other than inland marine insurance  
3 provided by policy floaters or endorsements shall be based only  
4 upon 1 or more of the following factors:

5 (a) Amount and types of coverage.

6 (b) Security and safety devices, including locks, smoke  
7 detectors, and similar, related devices.

8 (c) Repairable structural defects reasonably related to  
9 risk.

10 (d) Fire protection class.

11 (e) Construction of structure, based on structure size,  
12 building material components, and number of units.

13 (f) Loss experience of the insured, based upon prior claims  
14 attributable to factors under the control of the insured that  
15 have been paid by an insurer.

16 (g) Use of smoking materials within the structure.

17 (h) Distance of the structure from a fire hydrant.

18 (i) Availability of law enforcement or crime prevention  
19 services.

20 (13) ~~(14)~~ Notwithstanding other provisions of this chap-  
21 ter, home insurance risks shall be grouped by territory, and ter-  
22 ritorial base rates for coverages shall be established as  
23 follows:

24 (a) An insurer shall not be limited as to the number of ter-  
25 ritories employed in its rating plan. However, an insurer shall  
26 not employ more than 3 different territorial base rates for a  
27 home insurance coverage. A territorial base rate may be made

1 applicable in 1 or more territories contained in the rating plan  
2 of the insurer.

3 (b) An insurer shall not employ a territorial base rate for  
4 home insurance for owner-occupied dwelling policies that is less  
5 than 70% of the highest territorial base rate for the same  
6 policy, all other rating classifications being the same.

7 (c) An insurer shall not employ a territorial base rate for  
8 home insurance for renter or tenant policies that is less than  
9 65% of the highest territorial base rate for the same policy, all  
10 other rating classifications being the same.

11 (14) ~~(15)~~ An insurer may utilize factors in addition to  
12 those specified in this section, if the commissioner finds, after  
13 a hearing held pursuant to ~~the administrative procedures act of~~  
14 ~~1969,~~ Act No. 306 of the Public Acts of 1969, ~~as amended,~~ being  
15 ~~sections 24.201 to 24.328 of the Michigan Compiled Laws,~~ that  
16 the factors would encourage innovation, would encourage insureds  
17 to minimize the risks of loss from hazards insured against, and  
18 would be consistent with the purposes of this chapter.

19 SEC. 2111I. (1) AN INSURER SHALL NOT REFUSE TO ISSUE AN  
20 AUTOMOBILE INSURANCE POLICY TO A PEACE OFFICER ON HIS OR HER PRI-  
21 VATE AUTOMOBILE OR IMPOSE A PREMIUM SURCHARGE ON AN AUTOMOBILE  
22 INSURANCE POLICY ON HIS OR HER PRIVATE AUTOMOBILE DUE TO ACCIDENT  
23 RATE STATISTICS COMPILED BY HIM OR HER WHILE DRIVING ANY MOTOR  
24 VEHICLE IN THE COURSE OF HIS OR HER DUTIES AS A PEACE OFFICER.

25 (2) AN INSURER SHALL NOT REFUSE TO ISSUE AN AUTOMOBILE  
26 INSURANCE POLICY TO A FIRE FIGHTER OR AMBULANCE DRIVER ON HIS OR  
27 HER PRIVATE AUTOMOBILE OR IMPOSE A PREMIUM SURCHARGE ON AN

1 AUTOMOBILE INSURANCE POLICY ON HIS OR HER PRIVATE AUTOMOBILE DUE  
2 TO ACCIDENT RATE STATISTICS COMPILED BY HIM OR HER WHILE DRIVING  
3 A FIRE DEPARTMENT VEHICLE OR LICENSED AMBULANCE IN THE COURSE OF  
4 HIS OR HER DUTIES AS A FIRE FIGHTER OR AMBULANCE DRIVER.

5 (3) AS USED IN THIS SECTION:

6 (A) "LICENSED AMBULANCE" MEANS AN AMBULANCE LICENSED UNDER  
7 SECTION 20923 OF THE PUBLIC HEALTH CODE, ACT NO. 368 OF THE  
8 PUBLIC ACTS OF 1978, BEING SECTION 333.20923 OF THE MICHIGAN  
9 COMPILED LAWS.

10 (B) "MOTOR VEHICLE" MEANS THAT TERM AS DEFINED IN SECTION 33  
11 OF THE MICHIGAN VEHICLE CODE, ACT NO. 300 OF THE PUBLIC ACTS OF  
12 1949, BEING SECTION 257.33 OF THE MICHIGAN COMPILED LAWS.