

HOUSE BILL No. 4332

February 25, 1999, Introduced by Reps. Richner, Shulman and Law and referred to the Committee on Insurance and Financial Services.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 3010.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3010. (1) AN AUTOMOBILE INSURER SHALL NOT PAY FOR LOSS
2 OR DAMAGE CAUSED BY FIRE OR EXPLOSION TO AN INSURED MOTOR VEHICLE
3 UNTIL AN AFFIDAVIT UNDER SUBSECTION (2) HAS BEEN SUBMITTED AND
4 THE INSURER HAS, NOT LATER THAN 30 DAYS AFTER RECEIVING THE AFFI-
5 DAVIT, REVIEWED THE AFFIDAVIT WITH THE APPROPRIATE FIRE OR LAW
6 ENFORCEMENT AUTHORITY RESPONSIBLE FOR INVESTIGATING THE FIRE OR
7 EXPLOSION.

8 (2) IF AN INSURED MOTOR VEHICLE SUFFERS LOSS OR DAMAGE
9 CAUSED BY FIRE OR EXPLOSION, THE INSURED AND THE PERSON IN
10 POSSESSION OF THE MOTOR VEHICLE AT THE TIME OF THE LOSS SHALL
11 SUBMIT TO THE FIRE OR LAW ENFORCEMENT AUTHORITY RESPONSIBLE FOR

1 INVESTIGATING THE FIRE OR EXPLOSION A SWORN AND SIGNED AFFIDAVIT
2 CONTAINING INFORMATION REQUIRED BY THE STATE FIRE MARSHAL. THE
3 FIRE OR LAW ENFORCEMENT AUTHORITY RESPONSIBLE FOR INVESTIGATING
4 THE FIRE OR EXPLOSION SHALL REVIEW THE AFFIDAVIT WITH THE INSURER
5 OF THE DESTROYED OR DAMAGED MOTOR VEHICLE NOT LATER THAN 30 DAYS
6 AFTER RECEIVING THE AFFIDAVIT.

7 (3) THIS SECTION APPLIES ONLY IF THE STATE FIRE MARSHAL PUR-
8 SUANT TO SECTION 4 OF THE FIRE PREVENTION CODE, 207 PA 1941,
9 MCL 29.4, STATES THAT THE FIRE OR EXPLOSION IS BELIEVED TO HAVE
10 BEEN CAUSED BY ARSON OR ATTEMPTED ARSON OR IS OF A SUSPICIOUS OR
11 UNDETERMINED ORIGIN. THIS SECTION DOES NOT APPLY TO ACCIDENTAL
12 FIRES OR EXPLOSIONS.

13 (4) THIS SECTION APPLIES ONLY IF THE FIRE OR LAW ENFORCEMENT
14 AUTHORITY RESPONSIBLE FOR INVESTIGATING THE FIRE OR EXPLOSION IS
15 LOCATED IN A CITY, VILLAGE, OR TOWNSHIP DESCRIBED IN SUBSECTION
16 (7) AND IF THE CITY, VILLAGE, OR TOWNSHIP PURSUANT TO A RESOLU-
17 TION BY ITS GOVERNING BODY NOTIFIES THE COMMISSIONER IN WRITING
18 THAT THE CITY, VILLAGE, OR TOWNSHIP IS REQUIRING ITS FIRE AND LAW
19 ENFORCEMENT AUTHORITIES TO UNIFORMLY COMPLY WITH SUBSECTION (2).
20 THE COMMISSIONER SHALL PREPARE AND DISTRIBUTE A LIST OF ALL
21 CITIES, VILLAGES, AND TOWNSHIPS THAT HAVE ELECTED TO APPLY THIS
22 SECTION TO ALL INSURANCE COMPANIES TRANSACTING AUTOMOBILE INSUR-
23 ANCE IN THIS STATE.

24 (5) A CITY, VILLAGE, OR TOWNSHIP MAY BE ADDED TO THE LIST
25 PREPARED UNDER SUBSECTION (4) BY PASSING A RESOLUTION THAT
26 REQUIRES ITS FIRE AND LAW ENFORCEMENT AUTHORITIES TO UNIFORMLY
27 COMPLY WITH SUBSECTION (2) AND BY REQUESTING THE COMMISSIONER IN

1 WRITING TO BE ADDED TO THE LIST. WHEN A WRITTEN REQUEST FOR
2 ADDITION TO THE LIST FROM A CITY, VILLAGE, OR TOWNSHIP HAS BEEN
3 RECEIVED BY THE COMMISSIONER, AN AMENDED LIST SHALL BE PREPARED
4 AND DISTRIBUTED INDICATING THE ADDITION. THE ADDITION SHALL BE
5 EFFECTIVE ON THE DATE SPECIFIED BY THE COMMISSIONER IN THE
6 AMENDMENT. THE COMMISSIONER SHALL NOTIFY THE CITY, VILLAGE,
7 TOWNSHIP, AND ALL INSURERS TRANSACTING AUTOMOBILE INSURANCE IN
8 THIS STATE OF THE EFFECTIVE DATE OF THE ADDITION WHICH SHALL BE
9 EFFECTIVE NOT LESS THAN 30 DAYS AFTER RECEIPT OF NOTICE BY THE
10 INSURANCE COMPANY. A CITY, VILLAGE, OR TOWNSHIP SHALL NOT APPLY
11 THIS SECTION TO ANY LOSS THAT OCCURRED BEFORE THE EFFECTIVE DATE
12 OF THE ADDITION.

13 (6) A CITY, VILLAGE, OR TOWNSHIP MAY REQUEST TO BE DELETED
14 FROM THE LIST OR MAY CEASE TO APPLY THIS SECTION FOR A PERIOD OF
15 NOT LESS THAN 6 MONTHS UPON NOT LESS THAN 30 DAYS' WRITTEN NOTICE
16 TO THE COMMISSIONER. AFTER RECEIPT OF A REQUEST TO BE DELETED
17 FROM THE LIST, THE COMMISSIONER SHALL PREPARE AND DISTRIBUTE AN
18 AMENDMENT TO THE LIST INDICATING THE DELETION. THE DELETION
19 SHALL BE EFFECTIVE ON THE DATE SPECIFIED BY THE COMMISSIONER IN
20 THE AMENDMENT. THE COMMISSIONER SHALL NOTIFY THE CITY, VILLAGE,
21 TOWNSHIP, AND ALL INSURERS TRANSACTING AUTOMOBILE INSURANCE IN
22 THIS STATE OF THE EFFECTIVE DATE OF THE DELETION WHICH SHALL BE
23 EFFECTIVE NOT LESS THAN 30 DAYS AFTER RECEIPT OF THE NOTICE BY
24 THE INSURANCE COMPANY. A CITY, VILLAGE, OR TOWNSHIP SHALL CON-
25 TINUE TO APPLY THIS SECTION TO ANY LOSS THAT OCCURRED BEFORE THE
26 EFFECTIVE DATE OF THE DELETION, NOTWITHSTANDING THE DELETION.

1 (7) THIS SECTION APPLIES ONLY IF A CITY, VILLAGE, OR
2 TOWNSHIP HAS ELECTED TO APPLY THIS SECTION AS PROVIDED IN
3 SUBSECTION (4) OR (5) AND AS FOLLOWS:

4 (A) IF THE FIRE OR LAW ENFORCEMENT AUTHORITY RESPONSIBLE FOR
5 INVESTIGATING THE FIRE OR EXPLOSION IS LOCATED IN A CITY, VIL-
6 LAGE, OR TOWNSHIP IN A COUNTY WITH A POPULATION OF 425,000 OR
7 MORE.

8 (B) IF THE FIRE OR LAW ENFORCEMENT AUTHORITY RESPONSIBLE FOR
9 INVESTIGATING THE FIRE OR EXPLOSION IS LOCATED IN A COUNTY WITH A
10 POPULATION OF LESS THAN 425,000 BUT THE CITY, VILLAGE, OR TOWN-
11 SHIP HAS A POPULATION OF 50,000 OR MORE.

12 (8) THERE IS NO LIABILITY ON THE PART OF, AND A CAUSE OF
13 ACTION DOES NOT ARISE AGAINST, AN INSURER OR AN AGENT OR EMPLOYEE
14 OF AN INSURER FOR WITHHOLDING MONEY IN THE COURSE OF COMPLYING
15 WITH OR ATTEMPTING TO COMPLY WITH THIS SECTION.