

SENATE BILL NO. 700

September 21, 1999, Introduced by Senator DINGELL and referred to the Committee on Financial Services.

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 3101a (MCL 500.3101a), as amended by 1996 PA 456.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3101a. (1) An insurer ~~, in conjunction with the issu-~~
2 ~~ance of~~ THAT ISSUES an automobile insurance policy, as defined
3 in section 3303, shall provide 2 certificates of insurance for
4 each insured vehicle. The insurer shall mark 1 of the certifi-
5 cates as the secretary of state's copy, which copy, except as
6 otherwise provided in subsection (2), shall be filed with the
7 secretary of state by the policyholder upon application for a
8 vehicle registration. The secretary of state shall ~~not~~
9 maintain the certificate of insurance received under this
10 subsection on file. AN INSURER SHALL NOTIFY THE SECRETARY OF

1 STATE IF A POLICY EXPIRES WITHOUT BEING RENEWED OR IS TERMINATED
2 OR IF A POLICYHOLDER CANCELS HIS OR HER AUTOMOBILE INSURANCE
3 POLICY. THE NOTICE OF EXPIRATION, TERMINATION, OR CANCELLATION
4 SHALL CONTAIN ALL OF THE FOLLOWING INFORMATION:

5 (A) THE VEHICLE IDENTIFICATION NUMBER.

6 (B) THE NAME AND ADDRESS OF THE INSURER.

7 (C) THE INSURANCE POLICY NUMBER.

8 (D) THE TIME AND DATE OF EXPIRATION, TERMINATION, OR
9 CANCELLATION.

10 (2) The secretary of state shall accept as proof of vehicle
11 insurance a transmission, in the format required by the secretary
12 of state, of the insured vehicle's vehicle identification
13 number. Vehicle identification numbers received by the secretary
14 of state under this subsection are confidential and shall not be
15 disclosed to any person except ~~pursuant to an order~~ by ORDER OF
16 a court of competent jurisdiction in connection with a claim or
17 fraud investigation or prosecution. The transmission to the sec-
18 retary of state of a vehicle identification number is proof of
19 insurance to the secretary of state for motor vehicle registra-
20 tion purposes only and is not evidence that a policy of insurance
21 actually exists between an insurer and an individual.

22 (3) A person who FAILS TO SUPPLY INFORMATION TO THE SECRE-
23 TARY OF STATE OR WHO supplies false information to the secretary
24 of state under this section or who issues or uses an altered,
25 fraudulent, or counterfeit certificate of insurance is guilty of
26 a misdemeanor punishable by imprisonment for not more than 1
27 year, or a fine of not more than \$1,000.00, or both.

