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SFA**BILL ANALYSIS**

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Senate Bill 1428 (as introduced 9-19-02)
Sponsor: Senator Bill Bullard, Jr.
Committee: Financial Services

Date Completed: 9-24-02

CONTENT

The bill would amend the Insurance Code to replace the citation to a felonious driving law in provisions that allow the Automobile Insurance Placement Facility to charge premium surcharges to insured drivers who have been convicted of certain crimes. Currently, these crimes include a violation of MCL 752.191, which was repealed by Public Act 134 of 2001. The bill would refer, instead, to a violation of MCL 257.626c, which Public Act 134 of 2001 added to the Michigan Vehicle Code.

MCL 500.3341

BACKGROUND

Public Act 251 of 2002 amended the Insurance Code to establish a secondary, or merit, rating plan for use by the Automobile Insurance Placement Facility (which is the insurer of last resort for people with poor driving records, poor payment histories, or no prior insurance). The Act permits the Facility to charge premium surcharges on all auto insurance coverage, except comprehensive coverage, for individuals who have been convicted of specific violations of the Michigan Penal Code, the Michigan Vehicle Code, or Public Act 214 of 1931 (MCL 752.191, which prohibited felonious driving).

Public Act 134 of 2001 repealed Public Act 214 of 1931 and re-enacted revised felonious driving provisions within the Michigan Vehicle Code (MCL 257.626c). Previously, the offense applied only to incidents that occurred on a highway. Public Act 134 extended the offense to incidents occurring in other places open to the general public or generally accessible to motor vehicles, including parking lots. The Act also increased the maximum fine from \$1,000 to \$2,000, and retained the two-year maximum prison term and the one-year mandatory suspension.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Maria Tyszkiewicz

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