

HOUSE BILL No. 5870

March 14, 2006, Introduced by Reps. Polidori, Farhat, Kolb, Taub, Brown, Hood, Marleau, Hansen, Caswell, Gaffney, Hildenbrand, Kahn, Nofs, Caul, Sheltroun, Baxter, Whitmer, Farrah, Byrnes, Huizenga, Stahl, Proos, Rocca, Garfield, Sak, Gleason, Pastor, Stewart, Jones, Angerer, Booher, Gillard, McDowell, Byrum, Zelenko, Vagnozzi, Alma Smith, Lipsey, Nitz, Mortimer, Ball, Amos, Brandenburg, Bieda, Moolenaar, Stakoe, Wenke, David Law, Mayes, Pavlov, Palsrok and Cheeks and referred to the Committee on Appropriations.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3010 (MCL 500.3010), as added by 2000 PA 413.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3010. (1) Notwithstanding any other provision of this
2 act, an automobile insurer shall not pay a claim of \$2,000.00 or
3 more for loss or damage caused by fire or explosion to an insured
4 motor vehicle until a report under subsection (2) has been
5 submitted and the insurer has received from the insured a copy of
6 the report.

7 (2) If an insured motor vehicle suffers loss or damage caused
8 by fire or explosion, the insured shall submit to the fire or law
9 enforcement authority designated by the city, village, or township
10 a report prescribed by the ~~state fire marshal~~ **OFFICE OF FINANCIAL**

1 AND INSURANCE SERVICES IN CONJUNCTION WITH THE BUREAU OF FIRE
2 SERVICES CREATED IN SECTION 1B OF THE FIRE PREVENTION CODE, 1941 PA
3 207, MCL 29.1B, that requires information concerning the motor
4 vehicle fire or explosion.

5 (3) This section does not apply to accidental fires or
6 explosions as determined by the insurer or the fire or law
7 enforcement authority designated by the city, village, or township.
8 If the insurer or the fire or law enforcement authority designated
9 by the city, village, or township determines that the fire or
10 explosion may not be accidental, the insurer or the fire or law
11 enforcement authority designated by the city, village, or township
12 shall notify the insured of the requirement for a report under this
13 section by not later than 30 days after the determination by the
14 insurer or the fire or law enforcement authority designated by the
15 city, village, or township.

16 (4) This section applies only if the fire or law enforcement
17 authority responsible for investigating the fire or explosion is
18 located in a city, village, or township described in subsection (8)
19 and if the city, village, or township, pursuant to a resolution by
20 its governing body, notifies the commissioner in writing of both of
21 the following:

22 (a) That the city, village, or township has elected to receive
23 the reports prepared under subsection (2).

24 (b) The name and address of the fire or law enforcement
25 authority designated by the city, village, or township to receive
26 reports prepared under subsection (2).

27 (5) The commissioner shall prepare and distribute a list of

1 all cities, villages, and townships that have elected to apply this
2 section to all insurance companies transacting automobile insurance
3 in this state.

4 (6) A city, village, or township may be added to the list
5 prepared under subsection (5) by submitting a written request
6 containing the information required under subsection (4) to the
7 commissioner. If a written request is received, the commissioner
8 shall prepare and distribute an amended list indicating the
9 addition. The addition shall be effective on the date specified by
10 the commissioner in the amended list. The commissioner shall notify
11 the city, village, township, and all insurers transacting
12 automobile insurance in this state of the effective date of an
13 addition, which shall be ~~effective~~ not less than 30 days after
14 receipt of the notice by the insurance company. This section does
15 not apply to any loss that occurred before the effective date of
16 the addition.

17 (7) A city, village, or township may request to be deleted
18 from the list or may cease to apply this section for a period of
19 not less than 6 months upon not less than 30 days' written notice
20 to the commissioner. After receipt of a request to be deleted from
21 the list, the commissioner shall prepare and distribute an
22 amendment to the list indicating the deletion. The deletion shall
23 be effective on the date specified by the commissioner in the
24 amendment. The commissioner shall notify the city, village,
25 township, and all insurers transacting automobile insurance in this
26 state of the effective date of a deletion which shall be effective
27 not less than 30 days after receipt of the notice by the insurance

1 company. A city, village, or township shall continue to apply this
2 section to any loss that occurred before the effective date of the
3 deletion, notwithstanding the deletion.

4 (8) A city, village, or township may elect to apply this
5 section as provided in subsection (4) and as follows:

6 (a) If the city, village, or township is located in a county
7 with a population of 425,000 or more.

8 (b) If the city, village, or township is located in a county
9 with a population of less than 425,000 but the city, village, or
10 township has a population of 50,000 or more.

11 (9) There is no liability on the part of, and a cause of
12 action does not arise against, an insurer or an agent or employee
13 of an insurer for withholding money in the course of complying with
14 or attempting to comply with this section.

15 Enacting section 1. This amendatory act does not take effect
16 unless Senate Bill No. 1133 or House Bill No.____ (request no.
17 03197'05 ***) of the 93rd Legislature is enacted into law.