

SENATE BILL No. 1544

September 25, 2008, Introduced by Senators OLSHOVE, THOMAS, ANDERSON, JELINEK, BROWN and JACOBS and referred to the Committee on Economic Development and Regulatory Reform.

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 issuance
2 of ~~an~~ automobile insurance, ~~policy,~~ as defined in section 3303,
3 shall provide 2 certificates of insurance for each insured vehicle.
4 The insurer shall mark 1 of the certificates as the secretary of
5 state's copy, which copy, except as otherwise provided in
6 subsection (2), shall be filed with the secretary of state by the
7 policyholder upon application for a vehicle registration. The
8 secretary of state shall ~~not~~ maintain the certificate of insurance

1 received under this subsection on file. **AN INSURER SHALL NOTIFY THE**
2 **SECRETARY OF STATE IF A POLICY EXPIRES WITHOUT BEING RENEWED OR IS**
3 **TERMINATED OR IF A POLICYHOLDER CANCELS HIS OR HER AUTOMOBILE**
4 **INSURANCE POLICY. THE NOTICE OF EXPIRATION, TERMINATION, OR**
5 **CANCELLATION SHALL CONTAIN ALL OF THE FOLLOWING INFORMATION:**

6 (A) **THE VEHICLE IDENTIFICATION NUMBER.**

7 (B) **THE NAME AND ADDRESS OF THE POLICY HOLDER.**

8 (C) **THE INSURANCE POLICY NUMBER.**

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

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

23 (3) A person who **FAILS TO SUPPLY INFORMATION TO THE SECRETARY**
24 **OF STATE OR WHO** supplies false information to the secretary of
25 state under this section or who issues or uses an altered,
26 fraudulent, or counterfeit certificate of insurance is guilty of a
27 misdemeanor punishable by imprisonment for not more than 1 year 7

1 or a fine of not more than \$1,000.00, or both.

2 Enacting section 1. This amendatory act does not take effect

3 unless Senate Bill No. 1545

4 of the 94th Legislature is enacted into law.