

SENATE BILL No. 1414

July 1, 2010, Introduced by Senators BARCIA and CROPSEY 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
9 received under this subsection on file.

10 (2) The secretary of state shall accept as proof of vehicle

1 insurance a transmission, in the format required by the secretary
2 of state, of the insured vehicle's vehicle identification number.
3 ~~Vehicle~~ **EXCEPT AS OTHERWISE PROVIDED IN SECTION 520A OF THE**
4 **MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.520A, VEHICLE**
5 identification numbers received by the secretary of state under
6 this subsection are confidential and shall not be disclosed to any
7 person except ~~pursuant to an order by~~ **ORDER OF** a court of competent
8 jurisdiction in connection with a claim or fraud investigation or
9 prosecution. The transmission to the secretary of state of a
10 vehicle identification number is proof of insurance to the
11 secretary of state for motor vehicle registration purposes only and
12 is not evidence that a policy of insurance actually exists between
13 an insurer and an individual.

14 (3) **AN INSURER SHALL PROVIDE THE UNPARSED DATA REQUIRED BY THE**
15 **DEPARTMENT OF STATE POLICE UNDER SECTION 520A OF THE MICHIGAN**
16 **VEHICLE CODE, 1949 PA 300, MCL 257.520A. AS USED IN THIS**
17 **SUBSECTION, "UNPARSED DATA" MEANS THAT TERM AS DEFINED IN SECTION**
18 **520A OF THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.520A.**

19 (4) **ONCE AN INSURER HAS RECEIVED NOTIFICATION OF THE**
20 **IMPLEMENTATION OF THE NLETS-AUTHORIZED PAPERLESS VERIFICATION**
21 **SYSTEM UNDER SECTION 520A OF THE MICHIGAN VEHICLE CODE, 1949 PA**
22 **300, MCL 257.520A, SUBSECTIONS (1) AND (2) NO LONGER APPLY TO THAT**
23 **INSURER. THE SECRETARY OF STATE SHALL ACCEPT AS PROOF OF VEHICLE**
24 **INSURANCE AN AUTOMATED VERIFICATION THAT A MOTOR VEHICLE IS INSURED**
25 **OBTAINED THROUGH THE NLETS-AUTHORIZED PAPERLESS VERIFICATION SYSTEM**
26 **FOR MOTOR VEHICLE INSURANCE COVERAGE UNDER SECTION 520A OF THE**
27 **MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.520A.**

1 (5) ~~(3)~~—A person who supplies false information to the
2 secretary of state under this section or who issues or uses an
3 altered, fraudulent, or counterfeit certificate of insurance is
4 guilty of a misdemeanor punishable by imprisonment for not more
5 than 1 year ~~—~~or a fine of not more than \$1,000.00, or both.

6 Enacting section 1. This amendatory act does not take effect
7 unless Senate Bill No. 1415

8 of the 95th Legislature is enacted into law.