

Legislative Analysis



LIABILITY INSURANCE FOR MEDICAL AIRCRAFT TRANSPORT VEHICLES

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Senate Bill 995 (S-1)

Sponsor: Sen. Howard C. Walker

Senate Committee: Insurance

House Committee: Insurance

Complete to 6-8-12

A SUMMARY OF SENATE BILL 995 AS PASSED BY THE SENATE

The Public Health Code requires aircraft [medical] transport vehicles and aircraft transport operations to be licensed by the Department of Licensing and Regulatory Affairs, and requires that each vehicle carry insurance in the amount and coverage established by the department.

Senate Bill 995 would amend the Code to specify that, when determining the amount of liability coverage required by the department, an aircraft transport operation that transports patients less than an average of 45 times a year over the five-year period preceding the date coverage begins, is not required to have more than \$2 million in liability coverage on each aircraft transport vehicle in that aircraft transport operation.

This would apply to an aircraft transport operator with a valid Federal Aviation Administration part 135 air carrier certificate and that has its base of operation and primary business address on an island in the Great Lakes more than 20 miles from the nearest mainland airport.

[The bill is intended for Beaver Island and would allow a reduction in costs for liability insurance coverage.]

MCL 333.20934

FISCAL IMPACT:

The bill would not have a significant fiscal impact on state or local units of government.

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