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BILL



ANALYSIS

Telephone: (517) 373-5383  
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Senate Bill 391 (Substitute S-3 as reported)  
Senate Bill 392 (as reported without amendment)  
Sponsors: Senator Mike Green (S.B. 391)  
              Senator Joe Hune (S.B. 392)  
Committee: Transportation

### **CONTENT**

Senate Bill 391 (S-3) would amend the Michigan Vehicle Code to allow an electronically accessible registration to satisfy a requirement in the Code that a vehicle's registration certificate be carried in an insured vehicle or by a person driving or in control of the vehicle. The bill also would refer to a certificate of insurance in "paper or electronic form", in a provision that makes it a civil infraction for a person driving or in control of a vehicle to fail to provide evidence of insurance upon the request of a police officer.

Under the bill, if a person presented an electronic copy of his or her certificate of insurance, or registration, on an electronic device, a police officer could view only the electronic copy of the requested document, and could not manipulate the device to view any other information. A person who displayed electronic documentation on a device as provided in the bill would not be presumed to have consented to a search of the device.

The State, a law enforcement agency, or an employee of either, would not be liable for damage to an electronic device that resulted from a police officer's viewing an electronic document on the device, if the officer viewed the electronic copy as provided in the bill. This immunity would apply regardless of whether the police officer or the vehicle's owner or operator possessed the electronic device when it was damaged.

Senate Bill 392 would amend the Insurance Code to allow an insurer to provide a certificate of insurance in electronic form at the insured's request. The Code requires an insurer, when issuing an automobile insurance policy, to provide a certificate of insurance to the insured.

The failure to produce evidence of an effective insurance policy creates a rebuttable presumption that the vehicle does not have sufficient insurance. The bill would refer to evidence in paper or electronic form.

The bills are tie-barred to each other.

MCL 257.223 et al. (S.B. 391)  
500.3101a & 500.3102 (S.B. 392)

Legislative Analyst: Glenn Steffens

### **FISCAL IMPACT**

The bills would have an indeterminate negative fiscal impact on State and local government. By allowing electronic formats of registration certificates and proofs of insurance, the bills could result in fewer drivers being issued civil infraction tickets. A driver

ticketed for not providing proof of registration is assessed a fine of \$18, and pays court costs and a \$40 Justice System Assessment. A driver ticketed for not providing proof of insurance is assessed a \$30 fine, and pays court costs and a \$40 Justice System Assessment; however, if proof of insurance is later provided to the court, then the overall cost is reduced to a \$25 administrative fee. The fine revenue supports public libraries and the Justice System Assessment flows to a variety of State entities such as the Highway Safety Fund of the Michigan State Police.

Date Completed: 10-2-13

Fiscal Analyst: Dan O'Connor

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.