

SENATE BILL No. 392

May 23, 2013, Introduced by Senator HUNE and referred to the Committee on Transportation.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending sections 3101a and 3102 (MCL 500.3101a and 500.3102),
section 3101a as amended by 2011 PA 91 and section 3102 as amended
by 1990 PA 79.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3101a. (1) Except as otherwise provided in this section,
2 an insurer, in conjunction with the issuance of ~~an~~ **A POLICY FOR**
3 automobile insurance, ~~policy,~~ as defined in section 3303, shall
4 provide 2 certificates of insurance for each insured vehicle. The
5 insurer shall mark 1 of the certificates as the secretary of
6 state's copy. ~~, which copy, except~~ **EXCEPT** as otherwise provided in
7 this section, **THE POLICYHOLDER** shall ~~be filed~~ **FILE THE SECRETARY OF**
8 **STATE'S COPY** with the secretary of state ~~by the policyholder upon~~
9 **ON** application for a vehicle registration. The secretary of state

1 shall not maintain the certificate of insurance received under this
2 subsection on file.

3 (2) Beginning December 30, 2011, an insurer, in conjunction
4 with the issuance of an automobile insurance policy, shall ~~provide~~
5 **DO BOTH OF THE FOLLOWING:**

6 (A) **PROVIDE** to the insured 1 certificate of insurance for each
7 insured vehicle. ~~and for~~ **THE INSURER MAY PROVIDE THE CERTIFICATE**
8 **OF INSURANCE IN ELECTRONIC FORM IF REQUESTED BY THE INSURED.**

9 (B) **FOR** private passenger nonfleet automobiles listed on the
10 policy, ~~shall supply~~ to the secretary of state, in the format and
11 timeline as required by the secretary of state, which shall not be
12 required more frequently than every 14 days, the automobile
13 insurer's name, the named insured, the named insured's address, the
14 vehicle identification number for each such vehicle listed on the
15 policy, and the policy number. Until December 31, 2014, the
16 secretary of state shall provide policy information received under
17 this ~~subsection~~ **SUBDIVISION** to the department of community health
18 as required for the department of community health to comply with
19 2006 PA 593, MCL 550.281 to 550.289. In determining the format
20 under this ~~subsection~~, **SUBDIVISION**, the secretary of state shall
21 consult with insurers. As used in this ~~subsection~~, **SUBDIVISION**,
22 "private passenger nonfleet automobile" means that term as defined
23 in section 3303.

24 (3) The secretary of state shall accept as proof of vehicle
25 insurance a transmission of the insured vehicle's vehicle
26 identification number. Policy information submitted by an insurer
27 and received by the secretary of state under this section is

1 confidential, is not subject to the freedom of information act,
2 1976 PA 442, MCL 15.231 to 15.246, and shall not be disclosed to
3 any person except the department of community health for purposes
4 of 2006 PA 593, MCL 550.281 to 550.289, or ~~pursuant~~ **IN RESPONSE** to
5 an order by a court of competent jurisdiction in connection with a
6 claim or fraud investigation or prosecution. The transmission to
7 the secretary of state of a vehicle identification number is proof
8 of insurance to the secretary of state for motor vehicle
9 registration purposes only and is not evidence that a policy of
10 insurance actually exists between an insurer and an individual.

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

16 (5) The department of community health shall report to the
17 senate and house of representatives appropriations committees and
18 standing committees concerning insurance issues on the number of
19 claims and total dollar amount recovered from automobile insurers
20 ~~pursuant to~~ **UNDER** 2006 PA 593, MCL 550.281 to 550.289. The reports
21 required by this subsection shall be given to the appropriations
22 committees and standing committees concerning insurance issues by
23 December 30, 2012 and December 30, 2013 and shall cover the
24 immediately preceding 12-month period.

25 Sec. 3102. (1) A nonresident owner or registrant of a motor
26 vehicle or motorcycle not registered in this state shall not
27 operate or permit the motor vehicle or motorcycle to be operated in

1 this state for an aggregate of more than 30 days in any calendar
2 year unless he or she continuously maintains security for the
3 payment of benefits ~~pursuant to~~ **UNDER** this chapter.

4 (2) An owner or registrant of a motor vehicle or motorcycle
5 with respect to which security is required ~~—~~who operates the motor
6 vehicle or motorcycle or permits it to be operated upon a public
7 highway in this state ~~—~~without having in ~~full force and effect~~
8 security complying with this section or section 3101 or 3103 is
9 guilty of a misdemeanor. A person who operates a motor vehicle or
10 motorcycle upon a public highway in this state with the knowledge
11 that the owner or registrant does not have security in ~~full force~~
12 ~~and effect~~ is guilty of a misdemeanor. A person convicted of a
13 misdemeanor under this section ~~shall be fined~~ **IS SUBJECT TO A FINE**
14 **OF** not less than \$200.00 nor more than \$500.00, ~~imprisoned~~
15 **IMPRISONMENT** for not more than 1 year, or both.

16 (3) The failure of a person to produce evidence, **IN PAPER OR**
17 **ELECTRONIC FORM**, that a motor vehicle or motorcycle has in ~~full~~
18 ~~force and effect~~ security complying with this section or section
19 3101 or 3103 on the date of the issuance of the citation ~~—~~creates
20 a rebuttable presumption in a prosecution under subsection (2) that
21 the motor vehicle or motorcycle did not have in ~~full force and~~
22 effect security complying with this section or section 3101 or 3103
23 on the date of the issuance of the citation.

24 Enacting section 1. This amendatory act does not take effect
25 unless Senate Bill No. 391

26 of the 97th Legislature is enacted into law.