

HOUSE BILL No. 4193

February 12, 2015, Introduced by Reps. Nesbitt, Sheppard, Maturen, Iden, Gay-Dagnogo, Kelly, LaVoy, Zemke and Tedder and referred to the Committee on Insurance.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 227 and 328 (MCL 257.227 and 257.328), section
227 as amended by 2011 PA 92 and section 328 as amended by 2004 PA
52.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 227. (1) Application for renewal of a vehicle
2 registration shall be made by the owner upon proper application and
3 by payment of the registration fee for the vehicle, as provided by
4 law.

5 (2) Every application shall be accompanied by the certificate
6 of title pertaining to the vehicle, showing ownership in the person
7 applying for registration at the time of the application. The
8 secretary of state may waive the presentation of the certificate of
9 title.

1 (3) Every application for renewal of a motor vehicle
2 registration shall be accompanied by proof of vehicle insurance in
3 a form determined by the secretary of state.

4 (4) Notwithstanding subsection (3), the secretary of state
5 shall accept as proof of vehicle insurance a transmission of the
6 applicant's vehicle policy information for an insured vehicle for
7 which vehicle registration is sought. The secretary of state may
8 determine in what format and on what timeline the secretary of
9 state will receive vehicle policy information, which shall not be
10 required more frequently than every 14 days. In determining the
11 format under this subsection, the secretary of state shall consult
12 with insurers. The transmission to the secretary of state of the
13 vehicle policy information is proof of insurance to the secretary
14 of state for motor vehicle registration purposes only and is not
15 evidence that a policy of insurance actually exists between an
16 insurer and an individual. Vehicle policy information submitted by
17 an insurer and received by the secretary of state under this
18 subsection is confidential, is not subject to the freedom of
19 information act, 1976 PA 442, MCL 15.231 to 15.246, and shall not
20 be disclosed to any person except the department of community
21 health for purposes of 2006 PA 593, MCL 550.281 to 550.289, **THE**
22 **DEPARTMENT OF STATE POLICE AS PROVIDED IN SUBSECTION (5)**, or under
23 an order by a court of competent jurisdiction in connection with a
24 claim or fraud investigation or prosecution.

25 **(5) THE SECRETARY OF STATE SHALL MAKE THE VEHICLE POLICY**
26 **INFORMATION RECEIVED UNDER SUBSECTION (4) AVAILABLE TO THE**
27 **DEPARTMENT OF STATE POLICE FOR THE PURPOSE OF DETERMINING WHETHER**

EVIDENCE THAT A MOTOR VEHICLE IS INSURED EXISTS UNDER SECTION 328.

(6) As used in this section, "policy information" means the information an automobile insurer is required to supply to the secretary of state under section 3101a of the insurance code of 1956, 1956 PA 218, MCL 500.3101a.

Sec. 328. (1) The owner of a motor vehicle who operates or permits the operation of the motor vehicle upon the highways of this state or the operator of the motor vehicle shall produce, ~~pursuant to~~ **UNDER** subsection (2), upon the request of a police officer, evidence that the motor vehicle is insured under chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179. Subject to section ~~907(16)~~, **907(15)**, an owner or operator of a motor vehicle who fails to produce evidence of insurance **UPON REQUEST** under this subsection ~~when requested to produce that evidence~~ or who fails to have motor vehicle insurance for the vehicle as required under chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179, is responsible for a civil infraction. **IF A PERSON DISPLAYS AN ELECTRONIC COPY OF HIS OR HER CERTIFICATE OF INSURANCE USING AN ELECTRONIC DEVICE, THE POLICE OFFICER SHALL ONLY VIEW THE ELECTRONIC COPY OF THE CERTIFICATE OF INSURANCE AND SHALL NOT MANIPULATE THE ELECTRONIC DEVICE TO VIEW ANY OTHER INFORMATION ON THE ELECTRONIC DEVICE. A PERSON WHO DISPLAYS AN ELECTRONIC COPY OF HIS OR HER CERTIFICATE OF INSURANCE USING AN ELECTRONIC DEVICE AS PROVIDED IN THIS SUBSECTION SHALL NOT BE PRESUMED TO HAVE CONSENTED TO A SEARCH OF THE ELECTRONIC DEVICE. THIS STATE, A LAW ENFORCEMENT AGENCY, OR AN EMPLOYEE OF THIS STATE OR A LAW ENFORCEMENT AGENCY IS NOT LIABLE FOR DAMAGE TO AN**

1 ELECTRONIC DEVICE THAT OCCURS AS A RESULT OF A POLICE OFFICER'S
2 VIEWING AN ELECTRONIC COPY OF A CERTIFICATE OF INSURANCE IN THE
3 MANNER PROVIDED IN THIS SECTION, REGARDLESS OF WHETHER THE POLICE
4 OFFICER OR THE OWNER OR OPERATOR OF THE VEHICLE WAS IN POSSESSION
5 OF THE ELECTRONIC DEVICE AT THE TIME THE DAMAGE OCCURRED.

6 (2) A certificate of insurance, **IN PAPER OR ELECTRONIC FORM**
7 **AND** issued by an insurance company, that certifies that the
8 security that meets the requirements of sections 3101 and 3102 of
9 the insurance code of 1956, 1956 PA 218, MCL 500.3101 and 500.3102,
10 is in force ~~shall be accepted as~~ **IS** prima facie evidence that
11 insurance is in force for the motor vehicle described in the
12 certificate of insurance until the expiration date shown on the
13 certificate. The certificate, in addition to describing the motor
14 vehicles for which insurance is in effect, ~~shall~~ **MUST, IF**
15 **APPLICABLE**, state the name of each person named on the policy,
16 policy declaration, or a declaration certificate whose operation of
17 the vehicle would cause the liability coverage of that insurance to
18 become void.

19 (3) If, before the appearance date on ~~the~~ **A** citation **ISSUED**
20 **UNDER SUBSECTION (1)**, the ~~person~~ **DEFENDANT** submits proof to the
21 court that the motor vehicle had insurance meeting the requirements
22 of sections 3101 and 3102 of the insurance code of 1956, 1956 PA
23 218, MCL 500.3101 and 500.3102, at the time the violation of
24 subsection (1) occurred, all of the following apply:

25 (a) The court shall not assess a fine or costs.

26 (b) The court shall not ~~cause~~ **FORWARD** an abstract of the court
27 record ~~to be forwarded~~ to the secretary of state.

1 (c) The court may assess a fee of not more than \$25.00, which
2 shall be paid to the court funding unit.

3 (4) If an owner or operator of a motor vehicle is determined
4 to be responsible for a violation of subsection (1), the court in
5 which the civil infraction determination is entered may require the
6 person to surrender his or her operator's or chauffeur's license
7 unless proof that the vehicle has insurance meeting the
8 requirements of sections 3101 and 3102 of the insurance code of
9 1956, 1956 PA 218, MCL 500.3101 and 500.3102, is submitted to the
10 court. If the court requires the license to be surrendered, the
11 court shall order the secretary of state to suspend the person's
12 license. The court shall immediately destroy the license and shall
13 forward **AN ABSTRACT OF THE COURT RECORD** to the secretary of state
14 ~~an abstract of the court record~~ as required by section 732. Upon
15 receipt of the abstract, the secretary of state shall suspend the
16 person's license beginning with the date on which ~~a~~ **THE** person is
17 determined to be responsible for the civil infraction for a period
18 of 30 days or until proof of insurance meeting the requirements of
19 sections 3101 and 3102 of the insurance code of 1956, 1956 PA 218,
20 MCL 500.3101 and 500.3102, is submitted to the secretary of state,
21 whichever occurs later. A person who submits proof of insurance to
22 the secretary of state under this subsection shall pay a service
23 fee of \$25.00 to the secretary of state. The person shall not be
24 required to be examined ~~as set forth in~~ **UNDER** section 320c and
25 shall not be required to pay a replacement license fee.

26 (5) If an owner or operator of a motor vehicle is determined
27 to be responsible for a violation of subsection (1), the court in

1 which the civil infraction determination is entered shall notify
2 the secretary of state of the vehicle registration number and the
3 year and make of the motor vehicle being operated at the time of
4 the violation. ~~This~~ **A** notification **UNDER THIS SUBSECTION** shall be
5 made on the abstract or on a form approved by the supreme court
6 administrator. Upon receipt, the secretary of state shall
7 immediately enter this information in the records of the
8 department. The secretary of state shall not renew, transfer, or
9 replace the registration plate of the vehicle involved in the
10 violation or allow the purchase of a new registration plate for the
11 vehicle involved in the violation until the owner meets the
12 requirements of section 227a or unless the vehicle involved in the
13 violation is transferred or sold to a person other than the owner's
14 spouse, mother, father, sister, brother, or child.

15 (6) An owner or operator of a motor vehicle who knowingly
16 produces false evidence under this section is guilty of a
17 misdemeanor, punishable by imprisonment for not more than 1 year,
18 or a fine of not more than \$1,000.00, or both.

19 (7) Points shall not be entered on a driver's record ~~pursuant~~
20 ~~to~~ **UNDER** section 320a for a violation of this section.

21 (8) This section does not apply to the owner or operator of a
22 motor vehicle that is registered in a state other than this state
23 or a foreign country or province.