



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 985 (as introduced 5-8-18)
Sponsor: Senator Joe Hune
Committee: Insurance

Date Completed: 6-6-18

CONTENT

The bill would amend the Insurance Code to state that an automobile club contract would not be insurance or the business of insurance and would not be subject to the Code.

The bill would define "automobile club" as a legal entity that, in consideration of dues, assessments, or periodic payments of money, promises to provide automobile club services to its members or subscribers.

"Automobile club contract" would mean an agreement whereby an automobile club promises to render, furnish, or procure automobile club services to or for its members or subscribers.

"Automobile club services" would mean services that assist a member or subscriber of an automobile club in matters relating to motor travel or the operation, use, or maintenance of a motor vehicle by supplying services that may include, but are not limited to, towing service, emergency road service, bail and guaranteed arrest bond certificate service, legal service, insurance service, discount service, financial service, theft service, map service, and touring service.

The bill would take effect 90 days after being enacted.

Proposed MCL 500.130

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

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