

HOUSE BILL No. 4623

May 17, 2017, Introduced by Rep. Lucido and referred to the Committee on Insurance.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending section 227a (MCL 257.227a), as added by 1995 PA 287.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 227a. (1) If a court has notified the secretary of state
2 of a vehicle registration number as provided in section ~~328(4)~~
3 **328(5)** and **IF** the owner has not secured proof that the vehicle
4 ~~involved in the violation~~ is currently insured under chapter 31 of
5 the insurance code of 1956, ~~Act No. 218 of the Public Acts of 1956,~~
6 ~~being sections 1956 PA 218, MCL 500.3101 to 500.3179, of the~~
7 ~~Michigan Compiled Laws,~~ the secretary of state shall not renew,
8 replace, or transfer the registration plate of the vehicle ~~involved~~
9 ~~in the violation~~ or allow the purchase of a new registration plate
10 for the vehicle involved in the violation, until the owner or the
11 owner's representative appears at a branch office and does both of

1 the following:

2 (a) Shows a certified statement from an automobile insurer on
 3 a standard form prescribed by the ~~commissioner~~**DIRECTOR** of **THE**
 4 **DEPARTMENT OF insurance AND FINANCIAL SERVICES UNDER SECTION 3102**
 5 **OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.3102**, that the
 6 vehicle involved in the violation is currently insured under a
 7 prepaid noncancelable policy for a period of not less than 6
 8 months. ~~under chapter 31 of Act No. 218 of the Public Acts of 1956.~~

9 (b) Pays a fee of \$50.00 in addition to any other fee required
 10 by law, of which \$25.00 shall be allocated to the secretary of
 11 state to defray the costs of administering this section.

12 (2) The secretary of state may cancel the registration of a
 13 motor vehicle under ~~either~~**ANY** of the following circumstances:

14 (a) The secretary of state receives notice that a court has
 15 determined that a vehicle involved in the violation was not insured
 16 **AT THE TIME OF THE VIOLATION** as required by chapter 31 of ~~Act No.~~
 17 ~~218 of the Public Acts of 1956, at the time of registration.~~**THE**
 18 **INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.3101 TO 500.3179.**

19 (b) The secretary of state receives notice that a court has
 20 determined that the owner or the owner's representative presented a
 21 certificate of insurance that was forged, altered, fraudulent, or
 22 counterfeit when insurance was required by this act.

23 **(C) THE DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES HAS**
 24 **NOTIFIED THE SECRETARY OF STATE TO CANCEL A VEHICLE REGISTRATION**
 25 **UNDER SECTION 5 OF THE VEHICLE INSURANCE VERIFICATION ACT.**

26 (3) Before a cancellation occurs under subsection ~~(2),~~**(2) (A)**
 27 **OR (B)**, the person who will be affected by the cancellation ~~shall~~

1 **MUST** be given notice and an opportunity to be heard.

2 Enacting section 1. This amendatory act takes effect January
3 1, 2018.

4 Enacting section 2. This amendatory act does not take effect
5 unless Senate Bill No. ____ or House Bill No. 4622 (request no.
6 02825'17) of the 99th Legislature is enacted into law.