

SENATE BILL NO. 529

September 17, 2019, Introduced by Senator LUCIDO and referred to the Committee on Insurance and Banking.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3109 (MCL 500.3109), as amended by 2012 PA 454,
and by adding section 3038.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 3038. When a new applicant for automobile insurance**
2 **applies for collision or comprehensive coverage, the insurer shall**
3 **not limit the deductible that the applicant may select for the**
4 **coverage to a specific amount, but shall offer the applicant the**
5 **option to designate any amount as the amount of deductible for the**

1 coverage.

2 Sec. 3109. (1) Benefits provided or required to be provided
3 under the laws of any state or the federal government ~~shall~~**must** be
4 subtracted from the personal protection insurance benefits
5 otherwise payable for the injury under this chapter.

6 (2) An injured person is a natural person suffering accidental
7 bodily injury.

8 (3) An insurer providing personal protection insurance
9 benefits under this chapter may offer, at appropriately reduced
10 premium rates, a deductible. ~~of a specified dollar amount.~~ This
11 deductible may be applicable to all or any specified types of
12 personal protection insurance benefits, but ~~shall~~**must** apply only
13 to benefits payable to the person named in the policy, his or her
14 spouse, and any relative of either domiciled in the same household.
15 **The insurer shall not limit a deductible offered under this**
16 **subsection to a specific amount, but shall offer the applicant the**
17 **option to designate any amount as the amount of the deductible.**