

MICHIGAN VEHICLE CODE (EXCERPT)

Act 300 of 1949

CHAPTER V

FINANCIAL RESPONSIBILITY ACT

ADMINISTRATION

257.501 Financial responsibility act; administration, rules and regulations.

Sec. 501. The secretary of state through the director of driver services or his authorized agent shall administer and enforce the provisions of this chapter and may make rules and regulations necessary for its administration.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1966, Act 247, Eff. Mar. 10, 1967.

257.502 Operating record; certified abstract inadmissible as evidence.

Sec. 502. (a) The secretary of state shall upon request and upon payment of the required fee furnish any person a certified abstract of the operating record of any person subject to the provisions of this chapter, which abstract shall also fully designate the motor vehicles, if any, registered in the name of such person, and, if there be no record in the office of the secretary of state of any conviction of such person of violating any law relating to the operation of a motor vehicle or any injury or damage caused by such person, the secretary of state shall so certify.

(b) Such record shall not be admissible as evidence in any action, civil or criminal, arising out of a motor vehicle accident.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.502a Proof of compliance with laws of another state.

Sec. 502a. Proof of compliance with the financial responsibility laws of another state may be submitted to the secretary of state in lieu of the proof of financial responsibility required by this chapter if the accident for which proof of financial responsibility is required under this chapter occurred in the state with whose laws there was compliance.

History: Add. 1966, Act 247, Eff. Mar. 10, 1967.

WRITTEN REPORTS OF ACCIDENTS

257.503 Access to motor vehicle accident report; prohibitions; violation; penalty; definitions.

Sec. 503. (1) For 30 days after the date a motor vehicle accident report is filed with a law enforcement agency, a person may only access the report if the person or organization files a statement indicating that from the time the person or organization is granted access to the report until 30 days after the date the report is filed, the person or organization acknowledges that the person or organization is prohibited from doing either of the following:

(a) Using the report for any direct solicitation of an individual, vehicle owner, or property owner listed in the report.

(b) Disclosing any personal information contained in the report to a third party for commercial solicitation of an individual, vehicle owner, or property owner listed in the report.

(2) A person that knowingly violates this section is guilty of a crime punishable as follows:

(a) For a first violation, a misdemeanor punishable by a fine of not more than \$30,000.00.

(b) For a second or subsequent violation, a misdemeanor punishable by imprisonment for not more than 1 year or a fine of not more than \$60,000.00, or both.

(3) As used in this section:

(a) "Direct solicitation" means "direct solicitation to provide a service" as that term is defined in section 410b of the Michigan penal code, 1931 PA 328, MCL 750.410b.

(b) "Law enforcement agency" means any of the following:

(i) The department of state police.

(ii) The county sheriff's office.

(iii) The police department of a local unit of government.

(c) "Local unit of government" means a state university or college or a county, city, village, or township.

(d) "Motor vehicle accident" means an occurrence involving a motor vehicle that results in damage to property or injury to an individual.

(e) "Personal information" means information that identifies an individual, including the individual's name,

address, driver license number, social security number, and telephone number.

(f) "Report" means a report completed by an officer of a law enforcement agency that indicates that a motor vehicle accident occurred.

History: Add. 2013, Act 218, Eff. Jan. 1, 2014.

Compiler's note: Former MCL 257.503, which pertained to report of accident by person owning or operating vehicle where person is killed or injured, was repealed by Act 67 of 1971, Eff. Oct. 1, 1971.

257.503a-257.503c Repealed. 1971, Act 67, Eff. Oct. 1, 1971.

SECURITY FOLLOWING ACCIDENT

257.504 Repealed. 1971, Act 138, Eff. Oct. 1, 1971.

257.504a-257.510 Repealed. 1971, Act 67, Eff. Oct. 1, 1971.

PROOF OF FINANCIAL RESPONSIBILITY FOR THE FUTURE

257.511 Nonpayment of judgment; certification to secretary of state; nonresidents.

Sec. 511. (1) If a person fails within 30 days to satisfy a judgment, the clerk of the court, or of the judge of a court that has no clerk, in which the judgment is rendered shall forward to the secretary of state immediately upon the request of the plaintiff or plaintiff's attorney after the expiration of 30 days an abstract of the court record of the judgment properly certified, on forms supplied by the department.

(2) Failure, refusal, or neglect to comply with subsection (1) constitutes misconduct in office and is grounds for removal from office.

(3) If the defendant named in an abstract of court record reported to the secretary of state under subsection (1) is a nonresident, the secretary of state shall transmit a certified copy of the abstract of court record to the official in charge of issuing licenses and registration certificates of the state in which the defendant resides.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1966, Act 247, Eff. Mar. 10, 1967;—Am. 2008, Act 7, Imd. Eff. Feb. 15, 2008.

257.512 Nonpayment of judgment; suspension of registration and nonresident's operating privilege.

Sec. 512. The secretary of state upon receipt of a certified abstract of court record of a judgment rendered in this state or any other state shall forthwith suspend the license and registration and any nonresident's operating privilege of any person against whom such judgment was rendered, except as otherwise provided in this chapter.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1964, Act 140, Eff. Aug. 28, 1964.

257.512a Nonpayment of judgment; finding as to insurer, effect.

Sec. 512a. No license, registration or nonresident's operating privilege of any person shall be suspended under the provisions of this chapter if the secretary of state finds that an insurer was obligated to pay the judgment upon which the suspension is based, at least to the extent and for the amounts required in this chapter, but has not paid the judgment for any reason. A finding by the secretary of state that an insurer is obligated to pay a judgment is not binding upon the insurer and shall have no legal effect whatever except for the purpose of administering this section. Whenever in any judicial proceedings it is determined by any final judgment, decree or order that an insurer is not obligated to pay any judgment, the secretary of state, notwithstanding any contrary finding theretofore made by him, shall forthwith suspend as provided in section 512 the license and registration and any nonresident's operating privilege of any person against whom the judgment was rendered.

History: Add. 1964, Act 140, Eff. Aug. 28, 1964.

257.513 Duration of suspension of license, registration, and nonresident's operating privilege; satisfaction of judgment.

Sec. 513. (a) The license, registration and nonresident's operating privilege shall remain so suspended and shall not be renewed, nor shall any license or registration be thereafter issued in the name of the person, including any person not previously licensed unless and until the judgment is satisfied in full or he files an installment repayment agreement as provided in section 515 and, notwithstanding the provisions of section 528, maintains proof of financial responsibility as provided in section 517 until the judgment is satisfied in full.

(b) Judgments shall be deemed to be satisfied in full under this section if not renewed prior to the expiration of the statute of limitations.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1952, Act 17, Eff. Sept. 18, 1952;—Am. 1964, Act 171, Eff. Aug. 28, 1964;—Am. 1966, Act 247, Eff. Mar. 10, 1967;—Am. 1972, Act 274, Imd. Eff. Oct. 19, 1972.

257.514 When judgments deemed satisfied.

Sec. 514. Judgments herein referred to shall, for the purpose of this chapter only, be deemed satisfied:

1. When \$20,000.00 is credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of 1 person as the result of any one accident; or
2. When, subject to such limit of \$20,000.00 because of bodily injury to or death of 1 person, the sum of \$40,000.00 is credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of 2 or more persons as the result of any one accident; or
3. When \$10,000.00 is credited upon any judgment or judgments rendered in excess of that amount because of injury to or destruction of property of others as a result of any one accident.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1958, Act 155, Eff. Sept. 13, 1958;—Am. 1971, Act 191, Imd. Eff. Dec. 20, 1971.

257.515 Installment payment of judgment; default.

Sec. 515. (a) A judgment debtor upon due notice to the judgment creditor may apply to the court in which such judgment was rendered for the privilege of paying such judgment in installments and the court, in its discretion and without prejudice to any other legal remedies which the judgment creditor may have, may so order and fix the amounts and times of payment of the installments. A true copy of the order shall be filed with the secretary of state. In lieu of a court order for installment payments, the judgment debtor and judgment creditor may make an agreement in writing, a copy of which shall be filed with the secretary of state, for the payment of the judgment in installments.

(b) The secretary of state shall not suspend a license, registration, or nonresident's operating privilege, and shall restore any license, registration, or nonresident's operating privilege suspended following non-payment of a judgment, when the judgment debtor gives proof of financial responsibility and obtains an order, or written agreement, permitting the payment of the judgment in installments, and while the payment of any installment is not in default.

(c) If the judgment debtor fails to pay any installments as specified by the order, or written agreement, then upon notice of the default, the secretary of state shall forthwith suspend the license, registration, or nonresident's operating privilege of the judgment debtor until the judgment is satisfied, as provided in this chapter.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1964, Act 140, Eff. Aug. 28, 1964.

257.515a Restoration of license or registration after nonpayment of installment; limitation.

Sec. 515a. The secretary of state shall not restore a license, registration or nonresident's operating privilege of any person more than twice within a 2-year period following nonpayment of the installment agreement, judgment, order or other written agreement contemplated in section 515 of this chapter.

History: Add. 1966, Act 247, Eff. Mar. 10, 1967.

257.516 Repealed. 1976, Act 101, Imd. Eff. Apr. 27, 1976.

Compiler's note: The repealed section pertained to suspension of license and registration.

257.517 Proof of financial responsibility; alternative methods.

Sec. 517. Proof of financial responsibility when required under this chapter may be given by filing:

1. A certificate of insurance as provided in section 518 or section 519; or
2. A bond as provided in section 523; or
3. A certificate of deposit of money or securities as provided in section 524.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.518 Proof of financial responsibility; certificate of insurance.

Sec. 518. (a) Proof of financial responsibility may be furnished by filing with the secretary of state the written certificate of any insurance carrier duly authorized to do business in this state certifying that there is in effect a motor vehicle liability policy for the benefit of the person required to furnish proof of financial responsibility. Such certificate shall give the effective date of such motor vehicle liability policy, which date shall be the same as the effective date of the certificate, and shall designate by explicit description or by appropriate reference all motor vehicles covered thereby, unless the policy is issued to a person who is not the owner of a motor vehicle.

(b) No motor vehicle shall be or continue to be registered in the name of any person required to file proof

of financial responsibility unless such motor vehicle is so designated in such a certificate.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.518a Commercial quadricycle; liability insurance; minimum limit.

Sec. 518a. The owner of a commercial quadricycle shall furnish bodily injury and property damage liability insurance with a minimum combined single limit of \$2,000,000.00 for all persons injured or for property damage.

History: Add. 2015, Act 126, Imd. Eff. July 15, 2015.

257.518b Satisfaction of financial responsibility requirements; types of automobile insurance; applicability of section to insurance obtained by transportation network company driver or transportation network company.

Sec. 518b. (1) All of the following types of automobile insurance satisfy the financial responsibility requirements of this chapter:

(a) During the time that a transportation network company driver is logged on to the transportation network company's digital network and is available to receive transportation requests but is not engaged in a transportation network company prearranged ride, all of the following types of automobile insurance:

(i) Residual third party automobile liability insurance as required under chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179, in the amount of at least \$50,000.00 per person for death or bodily injury, \$100,000.00 per incident for death or bodily injury, and \$25,000.00 for property damage.

(ii) Personal protection insurance and property protection insurance in the amounts and of the types of coverage required by chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179.

(b) During the time that a transportation network company driver is engaged in a transportation network company prearranged ride, all of the following types of automobile insurance:

(i) Residual third party automobile liability insurance with a minimum combined single limit of \$1,000,000.00 for all bodily injury or property damage.

(ii) Personal protection insurance and property protection insurance in the amounts and of the types of coverage required by chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179.

(2) This section only applies to automobile insurance obtained by a transportation network company driver or a transportation network company.

History: Add. 2016, Act 348, Eff. Mar. 21, 2017.

257.519 Proof of financial responsibility; nonresident, compliance of insurance carrier.

Sec. 519. (a) The nonresident owner of a motor vehicle not registered in this state may give proof of financial responsibility by filing with the secretary of state a written certificate or certificates of an insurance carrier authorized to transact business in the state in which the motor vehicle, or motor vehicles, described in such certificate is registered, or if such nonresident does not own a motor vehicle, then in the state in which the insured resides, provided such certificate otherwise conforms with the provisions of this chapter, and the secretary of state shall accept the same upon condition that said insurance carrier complies with the following provisions with respect to the policies so certified:

1. Said insurance carrier shall execute a power of attorney authorizing the secretary of state to accept service on its behalf of notice or process in any action arising out of a motor vehicle accident in this state;

2. Duly adopt a resolution providing that its policies shall be deemed to be varied to comply with the law of this state relating to the terms of motor vehicle liability policies issued therein; and

3. Agree to accept as final and binding any final judgment duly rendered in any action arising out of a motor vehicle accident in any court of competent jurisdiction in this state.

(b) If any insurance carrier not authorized to transact business in this state, which has qualified to furnish proof of financial responsibility, defaults in any said undertakings or agreements, the secretary of state shall not thereafter accept as proof any certificates of said carrier whether theretofore filed or thereafter tendered as proof, so long as such default continues.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1951, Act 270, Eff. Sept. 28, 1951.

257.520 Motor vehicle liability policy; definition; contents; coverage; limits; conditions; excess or additional coverage; reimbursement; proration; binder or indorsement.

Sec. 520. (a) A "motor vehicle liability policy" as used in this chapter, shall mean an owner's or an operator's policy of liability insurance, certified as provided in section 518 or section 519 as proof of financial responsibility, and issued, except as otherwise provided in section 519, by an insurance carrier duly authorized to transact business in this state, to or for the benefit of the person named therein as insured.

(b) Such owner's policy of liability insurance:

(1) Shall designate by explicit description or by appropriate reference all motor vehicles with respect to which coverage is thereby to be granted; and

(2) Shall insure the person named therein and any other person, as insured, using any such motor vehicle or motor vehicles with the express or implied permission of such named insured, against loss from the liability imposed by law for damages arising out of the ownership, maintenance or use of such motor vehicle or motor vehicles within the United States of America or the Dominion of Canada, subject to limits exclusive of interest and costs, with respect to each such motor vehicle, as follows: \$20,000.00 because of bodily injury to or death of 1 person in any 1 accident and, subject to said limit for 1 person, \$40,000.00 because of bodily injury to or death of 2 or more persons in any 1 accident, and \$10,000.00 because of injury to or destruction of property of others in any 1 accident;

(3) When a certificate is filed showing that a policy or policies have been issued covering all motor vehicles owned by the insured but not insuring such person when operating any motor vehicle not owned by him, it shall be unlawful for such person to operate any motor vehicle not owned by him or not covered by such certificate.

(c) Such operator's policy of liability insurance shall insure the person named as insured therein against loss from the liability imposed upon him by law for damages arising out of the use by him of any motor vehicle not owned by him, within the same territorial limits and subject to the same limits of liability as are set forth above with respect to an owner's policy of liability insurance.

(d) Such motor vehicle liability policy shall state the name and address of the named insured, the coverage afforded by the policy, the policy period, and the limits of liability, and shall contain an agreement or be indorsed that insurance is provided thereunder in accordance with the coverage defined in this chapter as respects bodily injury and death or property damage, or both, and is subject to all the provisions of this chapter.

(e) Such motor vehicle liability policy need not insure any liability under any workmen's compensation law nor any liability on account of bodily injury to or death of an employee of the insured while engaged in the employment, other than domestic, of the insured, or while engaged in the operation, maintenance or repair of any such motor vehicle nor any liability for damage to property owned by, rented to, in charge of, or transported by the insured.

(f) Every motor vehicle liability policy shall be subject to the following provisions which need not be contained therein:

(1) The liability of the insurance carrier with respect to the insurance required by this chapter shall become absolute whenever injury or damage covered by said motor vehicle liability policy occurs; said policy may not be cancelled or annulled as to such liability by any agreement between the insurance carrier and the insured after the occurrence of the injury or damage; no statement made by the insured or on his behalf and no violation of said policy shall defeat or void said policy, and except as hereinafter provided, no fraud, misrepresentation, assumption of liability or other act of the insured in obtaining or retaining such policy, or in adjusting a claim under such policy, and no failure of the insured to give any notice, forward any paper or otherwise cooperate with the insurance carrier, shall constitute a defense as against such judgment creditor.

(2) The satisfaction by the insured of a judgment for such injury or damage shall not be a condition precedent to the right or duty of the insurance carrier to make payment on account of such injury or damage.

(3) If any person shall secure final judgment against the insured for loss or damage covered by any such policy and if such judgment is not satisfied within 30 days after it shall have become final, then such judgment creditor shall be entitled to recover under the terms of such policy in the same manner and to the same extent as the insured, except as hereinafter provided.

(4) The insurance carrier shall have the right to settle any claim covered by the policy, and if such settlement is made in good faith, the amount thereof shall be deductible from the limits of liability specified in subparagraph (2) of paragraph (b) of this section.

(5) The policy, the written application therefor, if any, and any rider or indorsement which does not conflict with the provisions of this chapter, shall constitute the entire contract between the parties.

(6) The insurance carrier shall not be liable on any judgment if it has not had prompt notice of and reasonable opportunity to appear in and defend the action in which such judgment was rendered, or if the judgment has been obtained through collusion between the judgment creditor and the insured.

(g) Any policy which grants the coverage required for a motor vehicle liability policy may also grant any lawful coverage in excess of or in addition to the coverage specified for a motor vehicle liability policy and such excess or additional coverage shall not be subject to the provisions of this chapter. With respect to a policy which grants such excess or additional coverage the term "motor vehicle liability policy" shall apply only to that part of the coverage which is required by this section.

(h) Any motor vehicle liability policy may provide that the insured shall reimburse the insurance carrier for any payment the insurance carrier would not have been obligated to make under the terms of the policy except for the provisions of this chapter.

(i) Any motor vehicle liability policy may provide for the prorating of the insurance thereunder with other valid and collectible insurance.

(j) The requirements for a motor vehicle liability policy may be fulfilled by the policies of 1 or more insurance carriers which policies together meet such requirements.

(k) Any carrier authorized to issue motor vehicle liability policies may, pending the issuance of such a policy, execute an agreement, to be known as a "binder", or may, in lieu of such a policy, issue an indorsement to an existing policy. Every such binder or indorsement shall be subject to the provisions of this section and shall be construed to provide indemnity or insurance in like manner and to the same extent as a motor vehicle liability policy.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1955, Act 219, Eff. Oct. 14, 1955;—Am. 1958, Act 155, Eff. Sept. 13, 1958;—Am. 1966, Act 247, Eff. Mar. 10, 1967;—Am. 1971, Act 138, Eff. Oct. 1, 1971.

257.521 Motor vehicle liability policy; notice of termination.

Sec. 521. When an insurance carrier has certified a motor-vehicle liability policy under section 518 or section 519, the insurance so certified shall not be cancelled or terminated until at least 10 days after a notice of cancellation or termination of the insurance so certified shall be filed in the office of the secretary of state, except that such a policy subsequently procured and certified shall, on the effective date of its certification, terminate the insurance previously certified with respect to any motor vehicle designated in both certificates.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.522 Automobile insurance policies unaffected by chapter.

Sec. 522. (a) This chapter shall not be held to apply to or affect policies of automobile insurance against liability which may now or hereafter be required by any other law of this state, and such policies, if they contain an agreement or are endorsed to conform with the requirements of this chapter, may be certified as proof of financial responsibility under this chapter.

(b) This chapter shall not be held to apply to or affect policies insuring solely the insured named in the policy against liability resulting from the maintenance or use by persons in the insured's employ or on his behalf of motor vehicles not owned by the insured.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.523 Bond as proof of financial responsibility; satisfaction of judgment.

Sec. 523. (a) The bond of a surety company, duly authorized to transact business within the state, or a bond, with at least 2 individual sureties, each owning real estate within this state, which real estate shall be scheduled in the bond and approved by a judge of a court of record which said bond shall be conditioned for the payment of the amounts specified herein may be accepted as proof of financial responsibility, and such bond shall be filed with the register of deeds of the county where such property is located, and a true copy thereof shall be filed with the secretary of state, and shall not be cancelable except after 10 days' written notice to the secretary of state. Such bonds shall constitute a lien in favor of the state upon the real estate so scheduled or any surety, which lien shall exist in favor of any holder of a final judgment against the person who has filed such proof on account of damage to property or injury to, including death of a person or persons resulting from the ownership, maintenance, use or operation hereafter of a motor vehicle, upon the filing of notice to that effect by the secretary of state in the office of the register of deeds of the county where such real estate is located.

(b) If such judgment rendered against the principal on the surety company or real estate individual bond given under the provisions of this chapter shall not be satisfied within 30 days after it has become final as hereinbefore provided, the judgment creditor may, for his own use and benefit and at his sole expense, bring an action or actions in the name of the state against the company or person executing such bond, including an action or proceeding to foreclose any lien that may exist upon the real estate of a person who has executed such bond in like manner as foreclosure of a mortgage in chancery.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1951, Act 270, Eff. Sept. 28, 1951.

257.524 Money or securities as proof.

Sec. 524. (a) The certificate of the state treasurer that the person named therein has deposited with him a sum of money or securities for money approved by him in the amounts as specified herein shall be taken as proof of financial responsibility. The state treasurer shall accept any such deposits and issue a certificate

therefor, and the secretary of state shall accept such certificate if accompanied by evidence that there are no unsatisfied judgments against the depositor registered in the office of the county clerk of the county where the depositor resides.

(b) Such deposit shall be held by the state treasurer to satisfy, in accordance with the provisions of this chapter, any execution on a judgment issued against such person making the deposit, for damages, including damages for care and loss of services, because of bodily injury to or death of any person, or for damages because of injury to or destruction of property, including the loss of use thereof, resulting from the ownership, maintenance, use, or operation of a motor vehicle after such deposit was made. Money or securities so deposited shall not be subject to attachment or execution unless such attachment or execution shall arise out of a suit for damages as aforesaid.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.525 Owners' proof for others.

Sec. 525. Whenever any person required to give proof of financial responsibility hereunder is or later becomes an operator in the employ of any owner, or is or later becomes a member of the immediate family or household of the owner, the secretary of state shall accept proof given by such owner in lieu of proof by such other person to permit such other person to operate a motor vehicle for which the owner has given proof as herein provided. In like manner the secretary of state shall accept the certificate of self-insurance issued by him to any owner under the provisions of this act in lieu of proof of financial responsibility which would otherwise be required of any person employed as an operator by such owner to permit such person to operate motor vehicles of such self-insured owner. The secretary of state, shall designate the restrictions imposed by this section on the face of such person's license.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.526 Substitution of proof.

Sec. 526. The secretary of state shall consent to the cancellation of any bond or certificate of insurance or the secretary of state shall direct and the state treasurer shall return any money or securities to the person entitled thereto upon the substitution and acceptance of other adequate proof of financial responsibility pursuant to this chapter.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.527 Other proof required.

Sec. 527. Whenever any proof of financial responsibility filed under the provisions of this chapter no longer fulfills the purposes for which required, the secretary of state shall for the purpose of this chapter require other proof as required by this chapter, and shall suspend the license and registration or the nonresident's operating privilege pending the filing of such other proof.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.528 Cancellation of bond or certificate of insurance, returning money or securities deposited as proof of financial responsibility, or waiving requirement of filing proof; conditions; certification; refusal of application by person whose proof is cancelled or returned; reestablishment of proof.

Sec. 528. (1) The secretary of state shall upon request consent to the immediate cancellation of a bond or certificate of insurance, or the secretary of state shall direct and the state treasurer shall return to the person entitled to the money or securities, money or securities deposited pursuant to this chapter as proof of financial responsibility, or the secretary of state shall waive the requirement of filing proof, in any of the following events:

(a) After 3 years from the date the proof was required if, during the 3-year period before the request, the secretary of state has not received a record of a conviction or a forfeiture of bail which would require the suspension or revocation of the license, registration, or nonresident's operating privilege of the person by or for whom the proof was furnished.

(b) If the person on whose behalf the proof was filed is deceased or if the person is permanently disabled and unable to operate a motor vehicle.

(c) If the person who has given proof surrenders the license and registration to the secretary of state.

(2) The secretary of state shall not consent to the cancellation of a bond or the return of money or securities if an action for damages upon a liability covered by the proof is pending, a judgment upon the liability is unsatisfied, or if the person who has filed the bond or deposited the money or securities has within 1 year immediately preceding the request been involved as an operator or owner in a motor vehicle accident

resulting in injury or damage to the person or property of others. A certification of the applicant as to the nonexistence of the facts described in this subsection, that the applicant has been released from liability, or has been finally adjudicated not to be liable for the injury or damage, shall be sufficient evidence of the nonexistence of those facts, in the absence of evidence to the contrary, in the records of the secretary of state.

(3) If a person whose proof has been canceled or returned under subsection (1)(c) applies for a license or registration within a period of 3 years from the date proof was originally required, the application shall be refused unless the applicant reestablishes the proof for the remainder of the 3-year period.

History: 1949, Act 300, Eff. Sept. 23, 1949;—Am. 1964, Act 171, Eff. Aug. 28, 1964;—Am. 1980, Act 398, Eff. Mar. 31, 1981.

VIOLATION OF PROVISIONS OF ACT

257.529 Transfer of registration.

Sec. 529. This chapter shall not prevent the owner of a motor vehicle, the registration of which has been suspended hereunder, from effecting a bona fide transfer of such motor vehicle to another person whose rights or privileges are not suspended under this chapter nor prevent the registration of such motor vehicle by such transferee. This chapter shall not in anywise affect the rights of any conditional vendor, chattel mortgagee, or lessor of a motor vehicle registered in the name of another as owner who becomes subject to the provisions of this chapter.

History: 1949, Act 300, Eff. Sept. 23, 1949.

257.530 Surrender of license and registration upon suspension or for lack of sufficient proof.

Sec. 530. Any person whose license or registration shall have been suspended as herein provided, or whose policy of insurance or bond, when required under this chapter, shall have been cancelled or terminated, or who shall neglect to furnish other proof upon request of the secretary of state shall immediately return his license and registration to the secretary of state. If any person wilfully fails to return to the secretary of state the license or registration provided herein, the secretary of state shall forthwith direct any peace officer to secure possession thereof and to return the same to the secretary of state.

History: 1949, Act 300, Eff. Sept. 23, 1949.

GENERAL PROVISIONS

257.531 Repealed. 2012, Act 204, Eff. Jan. 1, 2013.

Compiler's note: The repealed section pertained to certificate of self-insurance.

257.532 Availability of other security.

Sec. 532. Nothing in this chapter shall be construed as preventing the plaintiff in any action at law from relying for security upon the other processes provided by law.

History: 1949, Act 300, Eff. Sept. 23, 1949.