



**House
Legislative
Analysis
Section**

Olds Plaza Building, 10th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

PIP DISCOUNT PLANS

**House Bill 4466
Sponsor: Rep. Gerald Law
Committee: Insurance**

Complete to 5-15-95

A SUMMARY OF HOUSE BILL 4466 AS INTRODUCED 2-23-95

The bill would amend the Insurance Code to require auto insurers to establish and maintain premium discount plans for personal protection insurance (PIP coverage, such as medical benefits and wage loss) providing a discount if a vehicle has one or more of the following safety features: antilacerative glass; air bags; antilock brakes; enhanced sidewall protection; bumpers that exceed a collision standard of five miles per hour; or other passive safety features that reduce frequency or severity of collisions or injuries as determined by the company and approved by the insurance commissioner.

A premium discount plan could require the insured person to certify in writing to the possession of the safety features. If an insured received a discount after providing the certification but did not have the safety features claimed, the insurance company could impose a \$500 deductible when the vehicle sustained a loss in addition to any deductible contained in the policy. The company also could subsequently deny the customer the right to participate in any discount plan for 12 months.

MCL 500.2110a

House Bill 4466 (5-15-95)