

HOUSE BILL No. 6223

June 18, 2002, Introduced by Reps. Richner and O'Neil and referred to the Committee on Insurance and Financial Services.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending sections 3109a and 3114 (MCL 500.3109a and 500.3114),
section 3114 as amended by 2002 PA 38.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3109a. An insurer providing personal protection insur-
2 ance benefits shall offer, at appropriately reduced premium
3 rates, deductibles and exclusions reasonably related to other
4 health and accident coverage on the insured. The deductibles and
5 exclusions required to be offered by this section ~~shall be~~ ARE
6 subject to prior approval by the commissioner and ~~shall~~ apply
7 ~~only to benefits payable to the person named in the policy, the~~
8 ~~spouse of the insured and any relative of either domiciled in the~~
9 ~~same household~~ TO ANY PERSON CLAIMING BENEFITS UNDER THE
10 POLICY.

1 Sec. 3114. (1) Except as provided in subsections (2), (3),
2 and (5), a personal protection insurance policy described in sec-
3 tion 3101(1) applies to accidental bodily injury to the person
4 named in the policy, the person's spouse, and a relative of
5 either domiciled in the same household, if the injury arises from
6 a motor vehicle accident. A personal injury insurance policy
7 described in section 3103(2) applies to accidental bodily injury
8 to the person named in the policy, the person's spouse, and a
9 relative of either domiciled in the same household, if the injury
10 arises from a motorcycle accident. When personal protection
11 insurance benefits or personal injury benefits described in sec-
12 tion 3103(2) are payable to or for the benefit of an injured
13 person under his or her own policy and would also be payable
14 under the policy of his or her spouse, relative, or relative's
15 spouse, the injured person's insurer shall pay all of the bene-
16 fits and is not entitled to recoupment from the other insurer.

17 (2) A person suffering accidental bodily injury while an
18 operator or a passenger of a motor vehicle operated in the busi-
19 ness of transporting passengers shall receive the personal pro-
20 tection insurance benefits to which the person is entitled from
21 the insurer of the motor vehicle. This subsection does not apply
22 to a passenger in the following, unless that passenger is not
23 entitled to personal protection insurance benefits under any
24 other policy:

25 (a) A school bus, as defined by the department of education,
26 providing transportation not prohibited by law.

1 (b) A bus operated by a common carrier of passengers
2 certified by the department of transportation.

3 (c) A bus operating under a government sponsored transporta-
4 tion program.

5 (d) A bus operated by or providing service to a nonprofit
6 organization.

7 (e) A taxicab insured as prescribed in section 3101 or
8 3102.

9 (f) A bus operated by a canoe LIVERY or other watercraft,
10 bicycle, or horse livery used only to transport passengers to or
11 from a destination point.

12 (3) An employee, his or her spouse, or a relative of either
13 domiciled in the same household, who suffers accidental bodily
14 injury while an occupant of a motor vehicle owned or registered
15 by the employer, shall receive personal protection insurance ben-
16 efits to which the employee is entitled from the insurer of the
17 furnished vehicle.

18 (4) Except as provided in subsections (1) to (3), a person
19 suffering accidental bodily injury arising from a motor vehicle
20 accident while an occupant of a motor vehicle shall claim per-
21 sonal protection insurance benefits from insurers in the follow-
22 ing order of priority:

23 (a) The insurer of the owner or registrant of the vehicle
24 occupied.

25 (b) The insurer of the operator of the vehicle occupied.

26 (5) A person suffering accidental bodily injury arising from
27 a motor vehicle accident ~~which~~ THAT shows evidence of the

1 involvement of a motor vehicle while an operator or passenger of
2 a motorcycle shall claim personal protection insurance benefits
3 from insurers in the following order of priority:

4 ~~(a) The insurer of the owner or registrant of the motor~~
5 ~~vehicle involved in the accident.~~

6 ~~(b) The insurer of the operator of the motor vehicle~~
7 ~~involved in the accident.~~

8 ~~(c) The motor vehicle insurer of the operator of the motor~~
9 ~~cycle involved in the accident.~~

10 (A) ~~(d)~~ The motor vehicle insurer of the owner or regis-
11 trant of the motorcycle involved in the accident.

12 (B) THE MOTOR VEHICLE INSURER OF THE OPERATOR OF THE MOTOR-
13 CYCLE INVOLVED IN THE ACCIDENT.

14 (C) THE INSURER OF THE OWNER OR REGISTRANT OF THE MOTOR
15 VEHICLE INVOLVED IN THE ACCIDENT.

16 (D) THE INSURER OF THE OPERATOR OF THE MOTOR VEHICLE
17 INVOLVED IN THE ACCIDENT.

18 (6) If 2 or more insurers are in the same order of priority
19 to provide personal protection insurance benefits under subsec-
20 tion (5), an insurer paying benefits due is entitled to partial
21 recoupment from the other insurers in the same order of priority,
22 together with a reasonable amount of partial recoupment of the
23 expense of processing the claim, in order to accomplish equitable
24 distribution of the loss among all of the insurers.