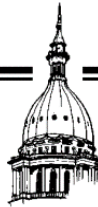




Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



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Senate Bill 663 (Substitute S-1 as reported)
Sponsor: Senator Mike Kowall
Committee: Economic Development

CONTENT

The bill would add Section 2949b to the Revised Judicature Act to provide that the manufacturer of a vehicle would not be liable for damages resulting from any of the following, unless the defect from which the damages resulted was present in the vehicle when it was manufactured:

- The conversion or attempted conversion of the vehicle into an automated motor vehicle by another person.
- The installation of equipment in the vehicle by another person to convert it into an automated motor vehicle.
- The modification by another person of equipment that was installed by the manufacturer in an automated motor vehicle specifically for using it in automatic mode.

"Automated motor vehicle" and "automatic mode" would mean those terms as defined under Section 2b of the Michigan Vehicle Code, which Senate Bill 169 would enact. (Under Senate Bill 169 (S-2), "automated vehicle" would mean a motor vehicle on which automated technology has been installed that enables the vehicle to be operated without any control or monitoring by a human driver. "Automatic mode" would mean the mode of operating an automated vehicle when automated technology is engaged to enable the vehicle to operate without any control or monitoring by a human driver.)

Senate Bill 663 (S-1) also would grant immunity from product liability to a subcomponent system producer for damages resulting from the modification of equipment installed by that producer to convert a vehicle to an automated motor vehicle, unless the defect from which the damages resulted was present in the equipment when it was installed by the producer.

The bill specifies that Sections 2945 to 2949a of the Act would not apply in a product liability action to the extent that they were inconsistent with proposed Section 2949b. (Those sections pertain to the following: admissible evidence; damages; circumstances under which a manufacturer or seller is not liable; warning of risks connected with the product's foreseeable use; and willful disregard of knowledge that a product was defective at the time of manufacture or distribution.)

The bill is tie-barred to Senate Bill 169.

MCL 600.2949b

Legislative Analyst: Glenn Steffens

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 11-14-13

Fiscal Analyst: Dan O'Connor