

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4640**

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 3114. (1) Except as provided in subsections (2), (3), and  
2           (5), a personal protection insurance policy described in section  
3           3101(1) applies to accidental bodily injury to the person named in  
4           the policy, the person's spouse, and a relative of either domiciled  
5           in the same household, if the injury arises from a motor vehicle  
6           accident. A personal injury insurance policy described in section  
7           3103(2) applies to accidental bodily injury to the person named in  
8           the policy, the person's spouse, and a relative of either domiciled  
9           in the same household, if the injury arises from a motorcycle  
10          accident. ~~When~~**IF** personal protection insurance benefits or

1 personal injury benefits described in section 3103(2) are payable  
2 to or for the benefit of an injured person under his or her own  
3 policy and would also be payable under the policy of his or her  
4 spouse, relative, or relative's spouse, the injured person's  
5 insurer shall pay all of the benefits and is not entitled to  
6 recoupment from the other insurer.

7 (2) A person suffering accidental bodily injury while an  
8 operator or a passenger of a motor vehicle operated in the business  
9 of transporting passengers shall receive the personal protection  
10 insurance benefits to which the person is entitled from the insurer  
11 of the motor vehicle. This subsection does not apply to a passenger  
12 in **ANY OF** the following, unless ~~that~~**THE** passenger is not entitled  
13 to personal protection insurance benefits under any other policy:

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

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

18 (c) A bus operating under a government sponsored  
19 transportation program.

20 (d) A bus operated by or providing service to a nonprofit  
21 organization.

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

23 (f) A bus operated by a canoe or other watercraft, bicycle, or  
24 horse livery used only to transport passengers to or from a  
25 destination point.

26 **(G) A PERSONAL VEHICLE.**

27 (3) An employee, his or her spouse, or a relative of either

1 domiciled in the same household, who suffers accidental bodily  
2 injury while an occupant of a motor vehicle owned or registered by  
3 the employer, shall receive personal protection insurance benefits  
4 to which the employee is entitled from the insurer of the furnished  
5 vehicle.

6 (4) Except as provided in subsections (1) to (3), a person  
7 suffering accidental bodily injury arising from a motor vehicle  
8 accident while an occupant of a motor vehicle shall claim personal  
9 protection insurance benefits from insurers in the following order  
10 of priority:

11 (a) The insurer of the owner or registrant of the vehicle  
12 occupied.

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

14 (5) A person suffering accidental bodily injury arising from a  
15 motor vehicle accident ~~which~~**THAT** shows evidence of the involvement  
16 of a motor vehicle while an operator or passenger of a motorcycle  
17 shall claim personal protection insurance benefits from insurers in  
18 the following order of priority:

19 (a) The insurer of the owner or registrant of the motor  
20 vehicle involved in the accident.

21 (b) The insurer of the operator of the motor vehicle involved  
22 in the accident.

23 (c) The motor vehicle insurer of the operator of the  
24 motorcycle involved in the accident.

25 (d) The motor vehicle insurer of the owner or registrant of  
26 the motorcycle involved in the accident.

27 (6) If 2 or more insurers are in the same order of priority to

1 provide personal protection insurance benefits under subsection  
2 (5), an insurer paying benefits due is entitled to partial  
3 recoupment from the other insurers in the same order of priority,  
4 ~~together with~~ **AND** a reasonable amount of partial recoupment of the  
5 expense of processing the claim, in order to accomplish equitable  
6 distribution of the loss among all of the insurers.

7 **(7) AS USED IN THIS SECTION, "PERSONAL VEHICLE" MEANS THAT**  
8 **TERM AS DEFINED IN SECTION 2 OF THE LIMOUSINE, TAXICAB, AND**  
9 **TRANSPORTATION NETWORK COMPANY ACT.**

10 Enacting section 1. This amendatory act takes effect 90 days  
11 after the date it is enacted into law.

12 Enacting section 2. This amendatory act does not take effect  
13 unless all of the following bills of the 98th Legislature are  
14 enacted into law:

- 15 (a) House Bill No. 4637.  
16 (b) House Bill No. 4639.  
17 (c) House Bill No. 4641.  
18 (d) Senate Bill No. 392.