

HOUSE BILL No. 5606

April 27, 2016, Introduced by Rep. Theis and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3101a (MCL 500.3101a), as amended by 2014 PA
419.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3101a. ~~(1) Except as otherwise provided in this section,~~
2 ~~an insurer, in conjunction with the issuance of an automobile~~
3 ~~insurance policy, as defined in section 3303, shall provide 2~~
4 ~~certificates of insurance for each insured vehicle. The insurer~~
5 ~~shall mark 1 of the certificates as the secretary of state's copy,~~
6 ~~which copy, except as otherwise provided in this section, shall be~~
7 ~~filed with the secretary of state by the policyholder upon~~
8 ~~application for a vehicle registration. The secretary of state~~
9 ~~shall not maintain the certificate of insurance received under this~~
10 ~~subsection on file.~~

1 (1) ~~(2) Beginning December 30, 2011, an AN insurer, in~~
2 conjunction with the issuance of an automobile insurance policy,
3 shall provide to the insured 1 certificate of insurance for each
4 insured vehicle, and for private passenger nonfleet automobiles
5 listed on the policy shall supply to the secretary of state ~~, in~~
6 ~~the format and timeline as required by the secretary of state,~~
7 ~~which shall not be required more frequently than every 14 days, the~~
8 automobile insurer's name, the **NAME OF THE** named insured, the named
9 insured's address, the vehicle identification number for each ~~such~~
10 **PRIVATE PASSENGER NONFLEET** vehicle listed on the policy, and the
11 policy number. **THE INSURER SHALL SUPPLY THE INFORMATION REQUIRED**
12 **UNDER THIS SUBSECTION IN THE FORMAT AND ON A TIMELINE AS REQUIRED**
13 **BY THE SECRETARY OF STATE. THE SECRETARY OF STATE SHALL NOT REQUIRE**
14 **THE SUBMISSION OF INFORMATION UNDER THIS SUBSECTION MORE FREQUENTLY**
15 **THAN EVERY 14 DAYS. IN DETERMINING THE FORMAT UNDER THIS**
16 **SUBSECTION, THE SECRETARY OF STATE SHALL CONSULT WITH INSURERS. AS**
17 **USED IN THIS SUBSECTION, "PRIVATE PASSENGER NONFLEET AUTOMOBILE"**
18 **MEANS THAT TERM AS DEFINED IN SECTION 3303.**

19 (2) **THE SECRETARY OF STATE SHALL PROVIDE POLICY INFORMATION**
20 **RECEIVED UNDER SUBSECTION (1) TO THE MICHIGAN AUTOMOBILE INSURANCE**
21 **PLACEMENT FACILITY AS REQUIRED FOR THE MICHIGAN AUTOMOBILE**
22 **INSURANCE PLACEMENT FACILITY TO COMPLY WITH THIS ACT.**

23 (3) Until December 31, 2018, the secretary of state shall
24 provide policy information received under ~~this~~ subsection (1) to
25 the department of ~~community health~~ **AND HUMAN SERVICES** as required
26 for the department of ~~community health~~ **AND HUMAN SERVICES** to comply
27 with 2006 PA 593, MCL 550.281 to 550.289. ~~In determining the format~~

1 ~~under this subsection, the secretary of state shall consult with~~
2 ~~insurers. As used in this subsection, "private passenger nonfleet~~
3 ~~automobile" means that term as defined in section 3303.~~

4 (4) ~~(3)~~—The secretary of state shall accept as proof of
5 vehicle insurance a transmission of the insured vehicle's vehicle
6 identification number. Policy information submitted by an insurer
7 and received by the secretary of state under this section is
8 confidential, is not subject to the freedom of information act,
9 1976 PA 442, MCL 15.231 to 15.246, and ~~shall~~**MUST** not be disclosed
10 to any person except the department of ~~community health~~ **AND HUMAN**
11 **SERVICES** for purposes of 2006 PA 593, MCL 550.281 to 550.289, or
12 pursuant to an order by a court of competent jurisdiction in
13 connection with a claim or fraud investigation or prosecution. The
14 transmission to the secretary of state of a vehicle identification
15 number is proof of insurance to the secretary of state for motor
16 vehicle registration purposes only and is not evidence that a
17 policy of insurance actually exists between an insurer and an
18 individual.

19 (5) ~~(4)~~—A person who supplies false information to the
20 secretary of state under this section or who issues or uses an
21 altered, fraudulent, or counterfeit certificate of insurance is
22 guilty of a misdemeanor punishable by imprisonment for not more
23 than 1 year or a fine of not more than \$1,000.00, or both.

24 (6) ~~(5)~~—The department of ~~community health~~ **AND HUMAN SERVICES**
25 shall report to the senate and house of representatives
26 appropriations committees and standing committees concerning
27 insurance issues on the number of claims and total dollar amount

1 recovered from automobile insurers pursuant to ~~UNDER~~ 2006 PA 593,
2 MCL 550.281 to 550.289. The reports required by this subsection
3 ~~shall~~ **MUST** be given to the appropriations committees and standing
4 committees concerning insurance issues by December 30 of each year
5 through December 30, 2018 and ~~shall~~ **MUST** cover the preceding 12-
6 month period.

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