

SENATE BILL No. 980

May 24, 2016, Introduced by Senator JONES and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
 "The insurance code of 1956,"
 by amending section 6107 (MCL 500.6107), as added by 1992 PA 174.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6107. (1) ~~Prior to~~ **BEFORE** April 1 of each year, each
 2 insurer engaged in writing insurance coverages ~~which~~ **THAT** provide
 3 the security required by section 3101(1) ~~within~~ **IN** this state, as a
 4 condition of its authority to transact insurance in this state,
 5 shall pay to the authority an assessment equal to \$1.00 multiplied
 6 by the insurer's total ~~earned~~ **WRITTEN** car years of insurance
 7 providing the security required by section 3101(1) written in this
 8 state during the ~~immediately preceding calendar~~ year.

9 (2) ~~Money~~ **THE AUTHORITY SHALL SEGREGATE AND DEPOSIT MONEY**
 10 received ~~pursuant to~~ **UNDER** subsection (1), and all other money
 11 received by the authority, ~~shall be segregated and placed in a fund~~

1 to be known as the automobile theft prevention fund. The **AUTHORITY**
2 **SHALL ADMINISTER THE** automobile theft prevention fund. ~~shall be~~
3 ~~administered by the authority.~~

4 (3) ~~Money~~ **THE AUTHORITY SHALL EXPEND MONEY** in the automobile
5 theft prevention fund ~~shall be expended~~ in the following order of
6 priority:

7 (a) To pay the costs of administration of the authority.

8 (b) To achieve the purposes and objectives of this chapter,
9 which may include, but not be limited to, the following:

10 (i) ~~Provide~~ **PROVIDING** financial support to the department of
11 state police and local law enforcement agencies for economic
12 automobile theft enforcement teams.

13 (ii) ~~Provide~~ **PROVIDING** financial support to state or local law
14 enforcement agencies for programs designed to reduce the incidence
15 of economic automobile theft.

16 (iii) ~~Provide~~ **PROVIDING** financial support to local prosecutors
17 for programs designed to reduce the incidence of economic
18 automobile theft.

19 (iv) ~~Provide~~ **PROVIDING** financial support to judicial agencies
20 for programs designed to reduce the incidence of economic
21 automobile theft.

22 (v) ~~Provide~~ **PROVIDING** financial support for neighborhood or
23 community organizations or business organizations for programs
24 designed to reduce the incidence of automobile theft.

25 (vi) ~~Conduct~~ **CONDUCTING** educational programs designed to
26 inform automobile owners of methods of preventing automobile theft
27 and to provide equipment, for experimental purposes, to enable

1 automobile owners to prevent automobile theft.

2 (4) Money in the automobile theft prevention fund ~~shall~~**MUST**
3 only be used for automobile theft prevention efforts and ~~shall~~**MUST**
4 be distributed based on need and efficacy as determined by the
5 authority.

6 (5) Money in the automobile theft prevention fund ~~shall~~**IS** not
7 ~~be considered~~ state money.

8 (6) **AS USED IN THIS SECTION, "WRITTEN CAR YEAR" MEANS THE**
9 **PORTION OF A YEAR DURING WHICH A VEHICLE IS INSURED AS DETERMINED**
10 **BY THE CATASTROPHIC CLAIMS ASSOCIATION AND USED TO CALCULATE**
11 **PREMIUM CHARGES UNDER SECTION 3104.**

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