

SENATE BILL No. 1028

May 23, 2018, Introduced by Senator ZORN and referred to the Committee on Insurance.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending section 227 (MCL 257.227), as amended by 2011 PA 92.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 227. (1) Application for renewal of a vehicle
2 registration shall be made by the owner upon proper application and
3 by payment of the registration fee for the vehicle, as provided by
4 law.

5 (2) Every application shall be accompanied by the certificate
6 of title pertaining to the vehicle, showing ownership in the person
7 applying for registration at the time of the application. The
8 secretary of state may waive the presentation of the certificate of
9 title.

10 (3) Every application for renewal of a motor vehicle

1 registration shall be accompanied by proof of vehicle insurance in
2 a form determined by the secretary of state.

3 (4) Notwithstanding subsection (3), **AND SUBJECT TO SUBSECTION**
4 **(5)**, the secretary of state shall accept as proof of vehicle
5 insurance a transmission of the applicant's vehicle policy
6 information for an insured vehicle for which vehicle registration
7 is sought. The secretary of state may determine in what format and
8 on what timeline the secretary of state will receive vehicle policy
9 information, which shall not be required more frequently than every
10 14 days. In determining the format under this subsection, the
11 secretary of state shall consult with insurers. The transmission to
12 the secretary of state of the vehicle policy information is proof
13 of insurance to the secretary of state for motor vehicle
14 registration purposes only and is not evidence that a policy of
15 insurance actually exists between an insurer and an individual.
16 Vehicle policy information submitted by an insurer and received by
17 the secretary of state under this subsection is confidential, is
18 not subject to the freedom of information act, 1976 PA 442, MCL
19 15.231 to 15.246, and shall not be disclosed to any person except
20 the department of community health for purposes of 2006 PA 593, MCL
21 550.281 to 550.289, or under an order by a court of competent
22 jurisdiction in connection with a claim or fraud investigation or
23 prosecution.

24 (5) **SUBSECTION (4) DOES NOT APPLY AFTER THE DIRECTOR OF THE**
25 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES CERTIFIES, BY A**
26 **CERTIFICATION POSTED ON THE DEPARTMENT OF INSURANCE AND FINANCIAL**
27 **SERVICES'S WEBSITE, THAT THE ELECTRONIC INSURANCE VERIFICATION**

1 SYSTEM ESTABLISHED UNDER THE REAL-TIME ELECTRONIC INSURANCE
2 VERIFICATION ACT IS OPERATIONAL. AFTER THE CERTIFICATION IS POSTED,
3 THE SECRETARY OF STATE MAY ACCESS THE ELECTRONIC INSURANCE
4 VERIFICATION SYSTEM TO CONFIRM PROOF OF VEHICLE INSURANCE FOR
5 PURPOSES OF THIS SECTION.

6 (6) As used in this section, "policy information" means the
7 information an automobile insurer is required to supply to the
8 secretary of state under section 3101a of the insurance code of
9 1956, 1956 PA 218, MCL 500.3101a.

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 Senate Bill No. 819 of the 99th Legislature is enacted into
14 law.