

# HOUSE BILL NO. 4809

May 06, 2021, Introduced by Reps. Wozniak, Sabo, Bezotte, Frederick, Green, Rogers and Yaroach and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
by amending section 3114 (MCL 500.3114), as amended by 2019 PA 21.

## **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)~~**3101** applies to accidental bodily injury to the person  
4       named in the policy, the person's spouse, and a relative of either  
5       domiciled in the same household, if the injury arises from a motor

1 vehicle accident. A personal injury insurance policy described in  
2 section 3103(2) applies to accidental bodily injury to the person  
3 named in the policy, the person's spouse, and a relative of either  
4 domiciled in the same household, if the injury arises from a  
5 motorcycle accident. If personal protection insurance benefits or  
6 personal injury benefits described in section 3103(2) are payable  
7 to or for the benefit of an injured person under his or her own  
8 policy and would also be payable under the policy of his or her  
9 spouse, relative, or relative's spouse, the injured person's  
10 insurer shall pay all of the benefits up to the coverage level  
11 applicable under section 3107c to the injured person's policy, and  
12 is not entitled to recoupment from the other insurer.

13 (2) A person who suffers accidental bodily injury while an  
14 operator or a passenger of a motor vehicle operated in the business  
15 of transporting passengers shall receive the personal protection  
16 insurance benefits to which the person is entitled from the insurer  
17 of the motor vehicle. This subsection does not apply to a passenger  
18 in any of the following, unless the passenger is not entitled to  
19 personal protection insurance benefits under any other policy:

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

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

24 (c) A bus operating under a government sponsored  
25 transportation program.

26 (d) A bus operated by or providing service to a nonprofit  
27 organization.

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

29 (f) A bus operated by a canoe or other watercraft, bicycle, or

1 horse livery used only to transport passengers to or from a  
2 destination point.

3 (g) A transportation network company vehicle.

4 (h) A motor vehicle insured under a policy for which the  
5 person named in the policy has elected to not maintain coverage for  
6 personal protection insurance benefits under section 3107d or as to  
7 which an exclusion under section 3109a(2) applies.

8 (3) An employee, his or her spouse, or a relative of either  
9 domiciled in the same household, who suffers accidental bodily  
10 injury while an occupant of a motor vehicle owned or registered by  
11 the employer, shall receive personal protection insurance benefits  
12 to which the employee is entitled from the insurer of the furnished  
13 vehicle.

14 (4) Except as provided in subsections (2) and (3), a person  
15 who suffers accidental bodily injury arising from a motor vehicle  
16 accident while an occupant of a motor vehicle who is not covered  
17 under a personal protection insurance policy as provided in  
18 subsection (1) shall claim personal protection insurance benefits  
19 under the assigned claims plan under sections 3171 to 3175. This  
20 subsection does not apply to a person insured under a policy for  
21 which the person named in the policy has elected to not maintain  
22 coverage for personal protection insurance benefits under section  
23 3107d or as to which an exclusion under section ~~3109(2)~~**3109a(2)**  
24 applies, or who is not entitled to be paid personal protection  
25 benefits under section 3107d(6)(c) or 3109a(2)(d)(ii).

26 (5) Subject to ~~subsections~~**subsection** (6), ~~and (7),~~ a person  
27 who suffers accidental bodily injury arising from a motor vehicle  
28 accident that shows evidence of the involvement of a motor vehicle  
29 while an operator or passenger of a motorcycle shall claim personal

1 protection insurance benefits ~~from insurers~~ **as follows, and** in the  
 2 following order of priority:

3 ~~(a) The insurer of the owner or registrant of the motor~~  
 4 ~~vehicle involved in the accident.~~

5 ~~(b) The insurer of the operator of the motor vehicle involved~~  
 6 ~~in the accident.~~

7 **(a) (c) The From the** motor vehicle insurer of the operator of  
 8 the motorcycle involved in the accident.

9 **(b) (d) The From the** motor vehicle insurer of the owner or  
 10 registrant of the motorcycle involved in the accident.

11 **(c) From the assigned claims plan under sections 3171 to 3175.**

12 ~~(6) If an applicable insurance policy in an order of priority~~  
 13 ~~under subsection (5) is a policy for which the person named in the~~  
 14 ~~policy has elected to not maintain coverage for personal protection~~  
 15 ~~insurance benefits under section 3107d, or as to which an exclusion~~  
 16 ~~under section 3109(2) applies, the injured person shall claim~~  
 17 ~~benefits only under other policies, subject to subsection (7), in~~  
 18 ~~the same order of priority for which no such election has been~~  
 19 ~~made. If there are no other policies for which no such election has~~  
 20 ~~been made, the injured person shall claim benefits under the next~~  
 21 ~~order of priority or, if there is not a next order of priority,~~  
 22 ~~under the assigned claims plan under sections 3171 to 3175.~~

23 **(6) (7)** If personal protection insurance benefits are payable  
 24 under subsection (5) under 2 or more insurance policies in the same  
 25 order of priority, the benefits are only payable up to an aggregate  
 26 coverage limit that equals the highest available coverage limit  
 27 under any 1 of the policies.

28 **(7) (8)** Subject to ~~subsections~~ **subsection** (6), and ~~(7)~~, if 2  
 29 or more insurers are in the same order of priority to provide

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

7 (8) ~~(9)~~—As used in this section:

8 (a) "Personal vehicle", "transportation network company  
9 digital network", and "transportation network company prearranged  
10 ride" mean those terms as defined in section 2 of the limousine,  
11 taxicab, and transportation network company act, 2016 PA 345, MCL  
12 257.2102.

13 (b) "Transportation network company vehicle" means a personal  
14 vehicle while the driver is logged on to the transportation network  
15 company digital network or while the driver is engaged in a  
16 transportation network company prearranged ride.