

# SENATE BILL No. 605

July 11, 2001, Introduced by Senator GOSCHKA and referred to the Committee on Financial Services.

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 3114 (MCL 500.3114), as amended by 1984 PA 372.

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

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

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

8       (2) A person suffering accidental bodily injury while an  
9 operator or a passenger of a motor vehicle operated in the busi-  
10 ness of transporting passengers shall receive the personal pro-  
11 tection insurance benefits to which the person is entitled from  
12 the insurer of the motor vehicle. This subsection ~~shall~~ DOES  
13 not apply to a passenger in the following, unless that passenger  
14 is not entitled to personal protection insurance benefits under  
15 any other policy:

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

18       (b) A bus operated by a common carrier of passengers certi-  
19 fied by the ~~public service commission~~ DEPARTMENT OF  
20 TRANSPORTATION.

21       (c) A bus operating under a government sponsored transporta-  
22 tion program.

23       (d) A bus operated by or providing service to a nonprofit  
24 organization.

25       (e) A taxicab insured as prescribed in section 3101 or  
26 3102.

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

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

10 (4) Except as provided in subsections (1) to (3), a person  
11 suffering accidental bodily injury arising from a motor vehicle  
12 accident while an occupant of a motor vehicle shall claim per-  
13 sonal protection insurance benefits from insurers in the follow-  
14 ing order of priority:

15 (a) The insurer of the owner or registrant of the vehicle  
16 occupied.

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

18 (5) A person suffering accidental bodily injury arising from  
19 a motor vehicle accident which shows evidence of the involvement  
20 of a motor vehicle while an operator or passenger of a motorcycle  
21 shall claim personal protection insurance benefits from insurers  
22 in the following order of priority:

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

25 (b) The insurer of the operator of the motor vehicle  
26 involved in the accident.

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1 (c) The motor vehicle insurer of the operator of the  
2 motorcycle involved in the accident.

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

5 (6) If 2 or more insurers are in the same order of priority  
6 to provide personal protection insurance benefits under subsec-  
7 tion (5), an insurer paying benefits due is entitled to partial  
8 recoupment from the other insurers in the same order of priority,  
9 together with a reasonable amount of partial recoupment of the  
10 expense of processing the claim, in order to accomplish equitable  
11 distribution of the loss among all of the insurers.