

# HOUSE BILL No. 6357

November 30, 2004, Introduced by Rep. Accavitti and referred to the Committee on Insurance.

A bill to amend 1949 PA 300, entitled  
"Michigan vehicle code,"  
by amending section 328 (MCL 257.328), as amended by 2004 PA 52,  
and by adding section 520a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 328. (1) The owner of a motor vehicle who operates or  
2 permits the operation of the motor vehicle upon the highways of  
3 this state or the operator of the motor vehicle shall produce,  
4 pursuant to subsection (2), upon the request of a police officer,  
5 evidence that the motor vehicle is insured under chapter 31 of  
6 the insurance code of 1956, 1956 PA 218, MCL 500.3101 to  
7 500.3179. Subject to section 907(16), an owner or operator of a  
8 motor vehicle who fails to produce evidence of insurance under  
9 this subsection when requested to produce that evidence or who  
10 fails to have motor vehicle insurance for the vehicle as required

1 under chapter 31 of the insurance code of 1956, 1956 PA 218, MCL  
2 500.3101 to 500.3179, is responsible for a civil infraction.

3 (2) A certificate of insurance, issued by an insurance  
4 company, that certifies that the security that meets the  
5 requirements of sections 3101 and 3102 of the insurance code of  
6 1956, 1956 PA 218, MCL 500.3101 and 500.3102, is in force shall  
7 be accepted as prima facie evidence that insurance is in force  
8 for the motor vehicle described in the certificate of insurance  
9 until the expiration date shown on the certificate. The  
10 certificate ~~—, in addition to describing the motor vehicles for~~  
11 ~~which insurance is in effect, shall state the~~ **shall contain all**  
12 **of the following information:**

13 (a) **The vehicle identification number.**

14 (b) **The name and address of the insurer.**

15 (c) **The insurance policy number.**

16 (d) **The effective date and the expiration date of the**  
17 **insurance policy.**

18 (e) **The name of each person** ~~named on the policy, policy~~  
19 ~~declaration, or a declaration certificate~~ whose operation of the  
20 vehicle would cause the liability coverage of that insurance to  
21 become void.

22 (3) If, before the appearance date on the citation, the  
23 person submits proof to the court that the motor vehicle had  
24 insurance meeting the requirements of sections 3101 and 3102 of  
25 the insurance code of 1956, 1956 PA 218, MCL 500.3101 and  
26 500.3102, at the time the violation of subsection (1) occurred,  
27 all of the following apply:

1 (a) The court shall not assess a fine or costs.

2 (b) The court shall not cause an abstract of the court record  
3 to be forwarded to the secretary of state.

4 (c) The court may assess a fee of not more than \$25.00, which  
5 shall be paid to the court funding unit.

6 (4) If an owner or operator of a motor vehicle is determined  
7 to be responsible for a violation of subsection (1), the court in  
8 which the civil infraction determination is entered may require  
9 the person to surrender his or her operator's or chauffeur's  
10 license unless proof that the vehicle has insurance meeting the  
11 requirements of sections 3101 and 3102 of the insurance code of  
12 1956, 1956 PA 218, MCL 500.3101 and 500.3102, is submitted to the  
13 court. If the court requires the license to be surrendered, the  
14 court shall order the secretary of state to suspend the person's  
15 license. The court shall immediately destroy the license and  
16 shall forward to the secretary of state an abstract of the court  
17 record as required by section 732. Upon receipt of the abstract,  
18 the secretary of state shall suspend the person's license  
19 beginning with the date on which a person is determined to be  
20 responsible for the civil infraction for a period of 30 days or  
21 until proof of insurance meeting the requirements of  
22 sections 3101 and 3102 of the insurance code of 1956, 1956 PA  
23 218, MCL 500.3101 and 500.3102, is submitted to the secretary of  
24 state, whichever occurs later. A person who submits proof of  
25 insurance to the secretary of state under this subsection shall  
26 pay a service fee of \$25.00 to the secretary of state. The  
27 person shall not be required to be examined as set forth in

1 section 320c and shall not be required to pay a replacement  
2 license fee.

3 (5) If an owner or operator of a motor vehicle is determined  
4 to be responsible for a violation of subsection (1), the court in  
5 which the civil infraction determination is entered shall notify  
6 the secretary of state of the vehicle registration number and the  
7 year and make of the motor vehicle being operated at the time of  
8 the violation. This notification shall be made on the abstract  
9 or on a form approved by the supreme court administrator. Upon  
10 receipt, the secretary of state shall immediately enter this  
11 information in the records of the department. The secretary of  
12 state shall not renew, transfer, or replace the registration  
13 plate of the vehicle involved in the violation or allow the  
14 purchase of a new registration plate for the vehicle involved in  
15 the violation until the owner meets the requirements of section  
16 227a or unless the vehicle involved in the violation is  
17 transferred or sold to a person other than the owner's spouse,  
18 mother, father, sister, brother, or child.

19 (6) An owner or operator of a motor vehicle who knowingly  
20 produces false evidence under this section is guilty of a  
21 misdemeanor, punishable by imprisonment for not more than 1 year,  
22 or a fine of not more than \$1,000.00, or both.

23 (7) Points shall not be entered on a driver's record pursuant  
24 to section 320a for a violation of this section.

25 (8) This section does not apply to the owner or operator of a  
26 motor vehicle that is registered in a state other than this state  
27 or a foreign country or province.

1       Sec. 520a. (1) The secretary of state shall create and  
2 maintain a central file of registered motor vehicles insured  
3 under an automobile insurance policy meeting the requirements of  
4 section 3101 or 3103 of the insurance code of 1956, 1956 PA 218,  
5 MCL 500.3101 and 500.3103. The file shall contain all of the  
6 following information for each insured vehicle:

7       (a) The vehicle identification number.

8       (b) The name and address of the insurer.

9       (c) The insurance policy number.

10      (d) The effective date and the expiration date of the  
11 insurance policy.

12      (2) The secretary of state shall send a notice to each  
13 registered owner of a motor vehicle registered under this act if  
14 the secretary of state has been informed by the insurer that the  
15 policy of insurance for the motor vehicle has expired without  
16 being renewed or has been terminated or canceled and the  
17 secretary of state has not been informed by the registered owner  
18 of the motor vehicle that the motor vehicle is insured under  
19 another policy of insurance.

20      (3) A notice issued under this section shall be on a form  
21 prescribed by the secretary of state and shall contain both of  
22 the following:

23      (a) A statement that the insurer has informed the secretary  
24 of state that the policy of insurance for the motor vehicle has  
25 expired without being renewed or has been terminated or canceled  
26 and the secretary of state has not been informed by the  
27 registered owner of the motor vehicle that the motor vehicle is

1 insured under another policy of insurance.

2       (b) A statement that if a registered owner of the motor  
3 vehicle fails to respond to the notice before the expiration of  
4 14 days after the notice was issued and fails to present proof to  
5 the secretary of state that is satisfactory to the secretary of  
6 state that the motor vehicle is insured as required under section  
7 520, the secretary of state will cancel the registration of the  
8 motor vehicle and will not issue a new registration for the motor  
9 vehicle until an owner of the motor vehicle provides proof to the  
10 secretary of state that is satisfactory to the secretary of state  
11 that the motor vehicle is insured as required under section 520.

12       (4) The secretary of state shall cancel the registration of  
13 a motor vehicle unless a registered owner of the motor vehicle  
14 provides proof of insurance to the secretary of state as required  
15 under this section.

16       Enacting section 1. This amendatory act does not take  
17 effect unless Senate Bill No. \_\_\_\_ or House Bill No. 6358  
18 (request no. 07135'04 a) of the 92nd Legislature is enacted into  
19 law.