

# SENATE BILL No. 311

March 16, 2005, Introduced by Senators OLSHOVE, CHERRY, BERNERO, SCHAUER, JACOBS, KUIPERS, HAMMERSTROM and PRUSI and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
by amending section 3101a (MCL 500.3101a), as amended by 1996 PA  
456.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 3101a. (1) An insurer ~~—, in conjunction with the issuance~~  
2 ~~of an~~ **THAT ISSUES A POLICY FOR** automobile insurance, ~~policy,~~ as  
3 defined in section 3303, shall provide 2 certificates of insurance  
4 for each insured vehicle. The insurer shall mark 1 of the  
5 certificates as the secretary of state's copy. ~~—, which~~ **THE** copy  
6 **SHALL**, except as otherwise provided in subsection (2), shall be  
7 filed with the secretary of state by the policyholder upon  
8 application for a vehicle registration. The secretary of state

1 shall ~~not~~ maintain the certificate of insurance received under  
2 this subsection on file. **AN INSURER SHALL NOTIFY THE SECRETARY OF**  
3 **STATE IF A POLICY EXPIRES WITHOUT BEING RENEWED OR IS TERMINATED OR**  
4 **IF A POLICYHOLDER CANCELS HIS OR HER AUTOMOBILE INSURANCE POLICY.**  
5 **THE NOTICE OF EXPIRATION, TERMINATION, OR CANCELLATION SHALL**  
6 **CONTAIN ALL OF THE FOLLOWING INFORMATION:**

7 (A) THE VEHICLE IDENTIFICATION NUMBER.

8 (B) THE NAME AND ADDRESS OF THE POLICYHOLDER.

9 (C) THE INSURANCE POLICY NUMBER.

10 (D) THE TIME AND DATE OF EXPIRATION, TERMINATION, OR  
11 CANCELLATION.

12 (2) The secretary of state shall accept as proof of vehicle  
13 insurance a transmission, in the format required by the secretary  
14 of state, of the insured vehicle's vehicle identification number.  
15 Vehicle identification numbers received by the secretary of state  
16 under this subsection are confidential and shall not be disclosed  
17 to any person except ~~pursuant to an order~~ by **ORDER OF** a court of  
18 competent jurisdiction in connection with a claim or fraud  
19 investigation or prosecution. The transmission to the secretary of  
20 state of a vehicle identification number is proof of insurance to  
21 the secretary of state for motor vehicle registration purposes only  
22 and is not evidence that a policy of insurance actually exists  
23 between an insurer and an individual.

24 (3) A person who **FAILS TO SUPPLY INFORMATION TO THE SECRETARY**  
25 **OF STATE OR WHO** supplies false information to the secretary of  
26 state under this section or who issues or uses an altered,  
27 fraudulent, or counterfeit certificate of insurance is guilty of a

1 misdemeanor punishable by imprisonment for not more than 1 year —  
2 or a fine of not more than \$1,000.00, or both.

3 Enacting section 1. This amendatory act does not take effect  
4 unless Senate Bill No. 312

5 of the 93rd Legislature is enacted into law.