

SENATE BILL No. 793

October 5, 2005, Introduced by Senator HAMMERSTROM and referred to the Committee on Banking and Financial Institutions.

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

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 the
6 insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179.
7 Subject to section 907(16), an owner or operator of a motor vehicle
8 who fails to produce evidence of insurance under this subsection
9 when requested to produce that evidence or who fails to have motor

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

4 (2) ~~A~~ **UNLESS THE INSURANCE VERIFICATION SYSTEM DEVELOPED**
5 **UNDER SECTIONS 520A TO 520D SHOWS OTHERWISE, A** certificate of
6 insurance, issued by an insurance company, that certifies that the
7 security that meets the requirements of sections 3101 ~~and~~ **TO** 3102
8 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 ~~and~~ **TO**
9 500.3102, is in force shall be accepted as prima facie evidence
10 that insurance is in force for the motor vehicle described in the
11 certificate of insurance until the expiration date shown on the
12 certificate. The certificate, in addition to describing the motor
13 vehicles for which insurance is in effect, shall state the name of
14 each person named on the policy, policy declaration, or a
15 declaration certificate whose operation of the vehicle would cause
16 the liability coverage of that insurance to become void. **A POLICE**
17 **OFFICER WITH ACCESS TO THE MOTOR VEHICLE INSURANCE VERIFICATION**
18 **SYSTEM DEVELOPED UNDER SECTIONS 520A TO 520D SHALL VERIFY THAT A**
19 **MOTOR VEHICLE IS INSURED AT THE TIME THE OWNER OR OPERATOR IS ASKED**
20 **TO PRODUCE A CERTIFICATE OF INSURANCE.**

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

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

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

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

5 (4) If an owner or operator of a motor vehicle is determined
6 to be responsible for a violation of subsection (1), the court in
7 which the civil infraction determination is entered may require the
8 person to surrender his or her operator's or chauffeur's license
9 unless proof that the vehicle has insurance meeting the
10 requirements of sections 3101 ~~and~~ **TO** 3102 of the insurance code
11 of 1956, 1956 PA 218, MCL 500.3101 ~~and~~ **TO** 500.3102, is submitted
12 to the court. If the court requires the license to be surrendered,
13 the court shall order the secretary of state to suspend the
14 person's license. The court shall immediately destroy the license
15 and shall forward to the secretary of state an abstract of the
16 court record as required by section 732. Upon receipt of the
17 abstract, the secretary of state shall suspend the person's license
18 beginning with the date on which a person is determined to be
19 responsible for the civil infraction for a period of 30 days or
20 until proof of insurance meeting the requirements of sections 3101
21 ~~and~~ **TO** 3102 of the insurance code of 1956, 1956 PA 218, MCL
22 500.3101 ~~and~~ **TO** 500.3102, is submitted to the secretary of state,
23 whichever occurs later. A person who submits proof of insurance to
24 the secretary of state under this subsection shall pay a service
25 fee of \$25.00 to the secretary of state. The person shall not be
26 required to be examined as set forth in section 320c and shall not
27 be required to pay a replacement license fee.

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

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

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

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

26 Enacting section 1. This amendatory act does not take effect
27 unless all of the following bills of the 93rd Legislature are

1 enacted into law:

2 (a) Senate Bill No. 791.

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4 (b) Senate Bill No. 792.

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