

**SUBSTITUTE FOR
SENATE BILL NO. 738**

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3101a (MCL 500.3101a), as amended by 2011 PA
91.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3101a. (1) Except as otherwise provided in this section,
2 an insurer, in conjunction with the issuance of an automobile
3 insurance policy, as defined in section 3303, shall provide 2
4 certificates of insurance for each insured vehicle. The insurer
5 shall mark 1 of the certificates as the secretary of state's copy,
6 which copy, except as otherwise provided in this section, 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 this
2 subsection on file.

3 (2) Beginning December 30, 2011, an insurer, in conjunction
4 with the issuance of an automobile insurance policy, shall provide
5 to the insured 1 certificate of insurance for each insured vehicle,
6 and for private passenger nonfleet automobiles listed on the policy
7 shall supply to the secretary of state, in the format and timeline
8 as required by the secretary of state, which shall not be required
9 more frequently than every 14 days, the automobile insurer's name,
10 the named insured, the named insured's address, the vehicle
11 identification number for each such vehicle listed on the policy,
12 and the policy number. Until December 31, ~~2014~~, **2018**, the secretary
13 of state shall provide policy information received under this
14 subsection to the department of community health as required for
15 the department of community health to comply with 2006 PA 593, MCL
16 550.281 to 550.289. In determining the format under this
17 subsection, the secretary of state shall consult with insurers. As
18 used in this subsection, "private passenger nonfleet automobile"
19 means that term as defined in section 3303.

20 (3) The secretary of state shall accept as proof of vehicle
21 insurance a transmission of the insured vehicle's vehicle
22 identification number. Policy information submitted by an insurer
23 and received by the secretary of state under this section is
24 confidential, is not subject to the freedom of information act,
25 1976 PA 442, MCL 15.231 to 15.246, and shall not be disclosed to
26 any person except the department of community health for purposes
27 of 2006 PA 593, MCL 550.281 to 550.289, or pursuant to an order by

1 a court of competent jurisdiction in connection with a claim or
2 fraud investigation or prosecution. The transmission to the
3 secretary of state of a vehicle identification number is proof of
4 insurance to the secretary of state for motor vehicle registration
5 purposes only and is not evidence that a policy of insurance
6 actually exists between an insurer and an individual.

7 (4) A person who supplies false information to the secretary
8 of state under this section or who issues or uses an altered,
9 fraudulent, or counterfeit certificate of insurance is guilty of a
10 misdemeanor punishable by imprisonment for not more than 1 year or
11 a fine of not more than \$1,000.00, or both.

12 (5) The department of community health shall report to the
13 senate and house of representatives appropriations committees and
14 standing committees concerning insurance issues on the number of
15 claims and total dollar amount recovered from automobile insurers
16 pursuant to 2006 PA 593, MCL 550.281 to 550.289. The reports
17 required by this subsection shall be given to the appropriations
18 committees and standing committees concerning insurance issues by
19 December 30 , ~~2012~~ and ~~December 30, 2013~~ **OF EACH YEAR THROUGH**
20 **DECEMBER 30, 2018** and shall cover the ~~immediately~~ preceding 12-
21 month period.