

SENATE BILL NO. 9

January 15, 2019, Introduced by Senator LUCIDO and referred to the Committee on Insurance and Banking.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3101a (MCL 500.3101a), as amended by 2018 PA
510.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3101a. (1) An insurer, in conjunction with the issuance
2 of an automobile insurance policy, shall provide to the insured 1
3 certificate of insurance for each insured vehicle and, **subject to**

1 **subsection (6)**, for private passenger nonfleet automobiles listed
2 on the policy shall supply to the secretary of state the automobile
3 insurer's name, the name of the named insured, the named insured's
4 address, the vehicle identification number for each vehicle listed
5 on the policy, and the policy number. The insurer shall transmit
6 the information required under this subsection in a format as
7 required by the secretary of state. The secretary of state shall
8 not require the information to be transmitted more frequently than
9 every 14 days.

10 (2) ~~The~~ **Until the information is no longer supplied to the**
11 **secretary of state as provided in subsection (6), the** secretary of
12 state shall provide policy information received under subsection
13 (1) to the department of health and human services as required for
14 the department of health and human services to comply with 2006 PA
15 593, MCL 550.281 to 550.289.

16 (3) The secretary of state shall accept as proof of vehicle
17 insurance a transmission of the insured vehicle's vehicle
18 identification number. Policy information submitted by an insurer
19 and received by the secretary of state under this section is
20 confidential, is not subject to the freedom of information act,
21 1976 PA 442, MCL 15.231 to 15.246, and shall not be disclosed to
22 any person except the department of health and human services for
23 purposes of 2006 PA 593, MCL 550.281 to 550.289, or pursuant to an
24 order by a court of competent jurisdiction in connection with a
25 claim or fraud investigation or prosecution. The transmission to
26 the secretary of state of a vehicle identification number is proof
27 of insurance to the secretary of state for motor vehicle
28 registration purposes only and is not evidence that a policy of
29 insurance actually exists between an insurer and an individual.

1 (4) A person who **fails to supply information to the secretary**
2 **of state or who** supplies false information to the secretary of
3 state under this section or who issues or uses an altered,
4 fraudulent, or counterfeit certificate of insurance is guilty of a
5 misdemeanor punishable by imprisonment for not more than 1 year or
6 a fine of not more than \$1,000.00, or both.

7 (5) The department of health and human services shall report
8 to the senate and house of representatives appropriations
9 committees and standing committees concerning insurance issues on
10 the number of claims and total dollar amount recovered from
11 automobile insurers under 2006 PA 593, MCL 550.281 to 550.289. The
12 reports required by this subsection must be given to the
13 appropriations committees and standing committees concerning
14 insurance issues by December 30 of each year and must cover the
15 preceding 12-month period.

16 (6) **The requirement under subsection (1) that an insurer**
17 **supply information to the secretary of state does not apply after**
18 **the director certifies, by a certification posted on the department**
19 **website, that the online insurance verification system established**
20 **under the vehicle insurance verification act is operational.**

21 (7) ~~(6)~~—As used in this section:

22 (a) "Automobile insurance" means that term as defined in
23 section 3303.

24 (b) "Private passenger nonfleet automobile" means that term as
25 defined in section 3303.