



**House
Legislative
Analysis
Section**

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RENTAL CAR LIABILITY LIMITS

House Bills 5213 and 5214
Sponsor: Rep. Kirk A. Profit
Committee: Insurance

Complete to 3-9-94

A SUMMARY OF HOUSE BILLS 5213 AND 5214 AS INTRODUCED 11-18-93

The bills would specify that a person or entity licensed to rent private passenger motor vehicles in the state was not liable for damages for injuries to either person or property resulting from the operation of the rented motor vehicle in an amount greater than the mandatory minimum amounts required by the no-fault auto insurance law. House Bill 5213 would amend the Michigan Vehicle Code (MCL 257.401). House Bill 5214 would amend the Insurance Code (MCL 500.3101b).

The mandatory minimums cited are as follows. Section 3009 contains minimum liability coverages of \$20,000 because of bodily injury or death to one person in any one accident; \$40,000 for two or more persons in any one accident; and \$10,000 because of injury to or destruction of property of others in any accident. Section 3107(1)(a)(i) would as of April 1, 1994, impose a mandatory minimum of \$1 million on personal injury protection (PIP) benefits. Section 3121 contains a maximum on property protection benefits of \$1 million per accident.

House Bills 5213 and 5214 (3-9-94)