



HOUSE BILL No. 5847

November 10 1994 Introduced by Reps Anthony Gagliardi Rhead Jacobetti Pitoniak
Cropsey Byrum Baade DeMars and Price and referred to the Committee on Insurance

A bill to amend section 3101 of Act No 218 of the Public
Acts of 1956 entitled as amended

The insurance code of 1956,
as amended by Act No 126 of the Public Acts of 1988, being sec-
tion 500 3101 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Section 3101 of Act No 218 of the Public Acts
2 of 1956 as amended by Act No 126 of the Public Acts of 1988
3 being section 500 3101 of the Michigan Compiled Laws, is amended
4 to read as follows

5 Sec 3101 (1) ~~The~~ EXCEPT AS PROVIDED IN SUBSECTION (5)
6 THE owner or registrant of a motor vehicle required to be regis-
7 tered in this state shall maintain security for payment of
8 benefits under personal protection insurance property protection
9 insurance, and residual liability insurance Security shall only

1 be required to be in effect during the period the motor vehicle
2 is driven or moved upon a highway Notwithstanding any other
3 provision in this act an insurer that has issued an automobile
4 insurance policy on a motor vehicle that is not driven or moved
5 upon a highway may allow the insured owner or registrant of the
6 motor vehicle to delete a portion of the coverages under the
7 policy and maintain the comprehensive coverage portion of the
8 policy in effect

9 (2) As used in this chapter

10 (a) Automobile insurance means that term as defined in
11 section 2102

12 (b) Highway means that term as defined in section 20 of
13 the Michigan vehicle code Act No 300 of the Public Acts of
14 1949 being section 257 20 of the Michigan Compiled Laws

15 (c) Motorcycle means a vehicle having a saddle or seat for
16 the use of the rider designed to travel on not more than 3
17 wheels in contact with the ground which is equipped with a motor
18 that exceeds 50 cubic centimeters piston displacement The
19 wheels on any attachment to the vehicle shall not be considered
20 as wheels in contact with the ground Motorcycle does not
21 include a moped, as defined in section 32b of the Michigan vehi-
22 cle code Act No 300 of the Public Acts of 1949 being section
23 257 32b of the Michigan Compiled Laws

24 (d) Motorcycle accident means a loss involving the owner-
25 ship operation maintenance or use of a motorcycle as a motor-
26 cycle but not involving the ownership operation maintenance
27 or use of a motor vehicle as a motor vehicle

1 (e) Motor vehicle means a vehicle including a trailer
2 operated or designed for operation upon a public highway by power
3 other than muscular power which has more than 2 wheels Motor
4 vehicle does not include a motorcycle or a moped as defined in
5 section 32b of Act No 300 of the Public Acts of 1949 being sec-
6 tion 257 32b of the Michigan Compiled Laws Motor vehicle does
7 not include a farm tractor or other implement of husbandry
8 ~~which~~ THAT is not subject to the registration requirements of
9 the Michigan vehicle code pursuant to section 216 of the Michigan
10 vehicle code Act No 300 of the Public Acts of 1949 being sec-
11 tion 257 216 of the Michigan Compiled Laws

12 (f) Motor vehicle accident means a loss involving the
13 ownership operation maintenance or use of a motor vehicle as a
14 motor vehicle regardless of whether the accident also involves
15 the ownership operation maintenance or use of a motorcycle as
16 a motorcycle

17 (g) Owner means any of the following

18 (i) A person renting a motor vehicle or having the use
19 ~~thereof~~ OF A MOTOR VEHICLE under a lease or otherwise for a
20 period that is greater than 30 days \

21 (ii) A person who holds the legal title to a vehicle other
22 than a person engaged in the business of leasing motor vehicles
23 who is the lessor of a motor vehicle pursuant to a lease provid-
24 ing for the use of the motor vehicle by the lessee for a period
25 that is greater than 30 days

26 (iii) A person who has the immediate right of possession of
27 a motor vehicle under an installment sale contract

1 (h) Registrant does not include a person engaged in the
2 business of leasing motor vehicles who is the lessor of a motor
3 vehicle pursuant to a lease providing for the use of the motor
4 vehicle by the lessee for a period that is greater than 30 days

5 (3) Security may be provided under a policy issued by an
6 insurer duly authorized to transact business in this state
7 ~~which~~ THAT affords insurance for the payment of benefits
8 described in subsection (1) A policy of insurance represented
9 or sold as providing security shall be ~~deemed~~ CONSIDERED to
10 provide insurance for the payment of the benefits

11 (4) Security required by subsection (1) may be provided by
12 any other method approved by the secretary of state as affording
13 security equivalent to that afforded by a policy of insurance if
14 proof of the security is filed and continuously maintained with
15 the secretary of state throughout the period the motor vehicle is
16 driven or moved upon a highway The person filing the security
17 has all the obligations and rights of an insurer under this
18 chapter ~~when~~ IF the context permits, insurer as used in
19 this chapter includes any person filing the security as provided
20 in this section

21 (5) THE REQUIREMENT IN SUBSECTION (1) THAT SECURITY MUST BE
22 MAINTAINED FOR THE PAYMENT OF BENEFITS DESCRIBED IN SUBSECTION
23 (1) DOES NOT APPLY TO A RESIDENT OF THIS STATE WHO IS OUT OF
24 STATE AND SERVING IN THE UNITED STATES ARMED SERVICES AND WHO HAS
25 AN INSURANCE POLICY FOR A MOTOR VEHICLE REQUIRED TO BE REGISTERED
26 IN THIS STATE THAT WAS ISSUED BY AN INSURER THAT HAS FILED A
27 WRITTEN CERTIFICATION UNDER SECTION 3163