



**House
Legislative
Analysis
Section**

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**EXEMPT RENTAL CAR COMPANIES
FROM INSURANCE LICENSURE**

House Bill 6448

Sponsor: Rep. Andrew Richner

**Committee: Insurance and Financial
Services**

Complete to 11-8-02

A SUMMARY OF HOUSE BILL 6448 AS INTRODUCED 9-24-02

The bill would amend the Insurance Code to specify that a certificate of authority to transact insurance in the state would not be required for the sale of any travel or auto-related insurance coverages by a motor vehicle rental company or its officers or employees in connection with and incidental to the rental of a motor vehicle. In addition, the bill would exempt from licensure as an “insurance producer” (a person who sells, solicits, or negotiates insurance) a person whose only sale of insurance is for travel or auto-related insurance sold in connection with and incidental to the rental of a motor vehicle for no more than 90 days. For purposes of the bill, “motor vehicle” would be defined as a motorized vehicle designed for transporting passengers or goods, including trucks with a gross vehicle weight of less than 26,000 pounds that do not require the operator to possess a commercial driver license.

MCL 500.402c and 500.1202

House Bill 6448 (11-8-02)

Analyst: D. Martens

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