

HOUSE BILL NO. 6395

September 22, 2022, Introduced by Rep. Garza and referred to the Committee on Rules and Competitiveness.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3121 (MCL 500.3121), as amended by 1993 PA 290,
and by adding section 3129.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3121. (1) Under property protection insurance, an insurer
2 is liable to pay benefits for accidental damage to tangible
3 property arising out of the ownership, operation, maintenance, or
4 use of a motor vehicle as a motor vehicle subject to ~~the provisions~~
5 ~~of this section and sections 3123 , 3125, and 3127.~~ **to 3129.**

1 However, accidental damage to tangible property does not include
 2 accidental damage to tangible property, other than the insured
 3 motor vehicle, that occurs within the course of a business of
 4 repairing, servicing, or otherwise maintaining motor vehicles.

5 (2) Property protection insurance benefits are due under the
 6 conditions stated in this chapter without regard to fault.

7 (3) Damage to tangible property consists of ~~physical~~ **both of**
 8 **the following:**

9 (a) **Physical** injury to or destruction of the property, ~~and~~
 10 ~~loss~~ **including, but not limited to, the deposit of debris,**
 11 **substances, pollutants, a vehicle, or the contents of a vehicle on**
 12 **a highway or the property appurtenant to the highway.**

13 (b) **Loss** of use of the property so injured or destroyed.

14 (4) Damage to tangible property is accidental, as to a person
 15 claiming property protection insurance benefits, unless it is
 16 suffered or caused intentionally by the claimant. Even though a
 17 person knows that damage to tangible property is substantially
 18 certain to be caused by his or her act or omission, he or she does
 19 not cause or suffer ~~such~~ **the** damage intentionally if he or she acts
 20 or refrains from acting for the purpose of averting injury to any
 21 person, including himself or herself, or for the purpose of
 22 averting damage to tangible property.

23 (5) Property protection insurance benefits consist of ~~the~~ **all**
 24 **of the following:**

25 (a) **The** lesser of reasonable repair costs or replacement costs
 26 **to damaged property,** less depreciation. ~~and, if~~

27 (b) **If** applicable, the value of loss of use. ~~However, property~~

28 (c) **If applicable, the cost of removing any of the following**
 29 **from the highway and appurtenant property:**

1 (i) Solid debris.

2 (ii) Injurious or pollutant substances.

3 (iii) A vehicle.

4 (iv) The contents of a vehicle.

5 (d) Any cost of traffic warnings, detours, or other necessary
6 safety precautions connected with the removal of anything described
7 in subdivision (c).

8 (6) Property protection insurance benefits paid under 1 policy
9 for damage to all tangible property arising from 1 accident ~~shall~~
10 must not exceed \$1,000,000.00.

11 Sec. 3129. (1) A person that provides a service of removing
12 and disposing of debris, substances, a vehicle, or the contents of
13 a vehicle from the highway and appurtenant property, including, but
14 not limited to, any cost of restoring the damaged or injured
15 highway or appurtenant property back to its pre-accident condition
16 or of traffic warnings, detours, or other necessary safety
17 precautions, may claim property protection insurance benefits
18 directly from the insurers identified in section 3125.

19 (2) The claim of a person under subsection (1) has priority
20 over a claim for the cost of the services provided that is made by
21 the governmental body with jurisdiction over the highway or an
22 owner of the appurtenant property.

23 (3) A person that provides a service described in subsection
24 (1) may bill a reasonable and customary fee for the service.

25 Enacting section 1. This amendatory act does not take effect
26 unless Senate Bill No. ____ or House Bill No. 6396 (request no.
27 03103'21 a) of the 101st Legislature is enacted into law.