

HOUSE BILL No. 5194

October 18, 1989, Introduced by Reps. Joe Young, Jr., Joe Young, Sr., Saunders, Bennane, Hunter, Hood, Leland, Terrell, Hertel, Wallace, Bennett, DeMars, Varga, Harrison, Stallworth, Stopczynski and Kilpatrick and referred to the Committee on Insurance.

A bill to amend section 2105 of Act No. 218 of the Public Acts of 1956, entitled as amended

"The insurance code of 1956,"

being section 500.2105 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2105 of Act No. 218 of the Public Acts
2 of 1956, being section 500.2105 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 2105. (1) ~~No~~ A policy of automobile insurance or
5 home insurance shall NOT be offered, bound, made, issued, deliv-
6 ered, or renewed in this state on and after January 1, 1981,
7 except in conformity with this chapter. This chapter shall not
8 apply to policies of automobile insurance or home insurance
9 offered, bound, made, issued, delivered, or renewed in this state
10 before January 1, 1981.

1 (2) This chapter shall not apply to insurance written on a
2 group, franchise, blanket policy, or similar basis which offers
3 home insurance or automobile insurance to all members of the
4 group, franchise plan, or blanket coverage who are eligible per-
5 sons, IF THE GROUP WAS FORMED IN GOOD FAITH FOR PURPOSES OTHER
6 THAN THAT OF OBTAINING INSURANCE.

7 (3) NOTHING IN THIS CHAPTER SHALL PROHIBIT OR LIMIT A CITY
8 WITH A POPULATION OF 1,000,000 OR MORE FROM OBTAINING A GROUP
9 AUTOMOBILE INSURANCE POLICY THAT ALLOWS EACH RESIDENT OF THAT
10 CITY WHO IS AN ELIGIBLE PERSON TO PURCHASE COVERAGE UNDER THE
11 POLICY.