

HOUSE BILL NO. 5648

December 15, 2021, Introduced by Reps. Frederick and Martin and referred to the Committee on Insurance.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 226, 227, 227a, and 328 (MCL 257.226, 257.227, 257.227a, and 257.328), section 226 as amended by 2021 PA 112, section 227 as amended by 2011 PA 92, section 227a as added by 1995 PA 287, and section 328 as amended by 2020 PA 376, and by adding section 227c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 226. (1) Except as otherwise provided in subsection (13)
2 or (14), a vehicle registration issued by the secretary of state

1 expires on the owner's birthday, unless another expiration date is
2 provided for under this act or unless the registration is for the
3 following vehicles, in which case registration expires on the last
4 day of February:

5 (a) A commercial vehicle except for a commercial vehicle
6 issued a registration under the international registration plan or
7 a pickup truck or van owned by an individual.

8 (b) Except for a trailer or semitrailer issued a registration
9 under the international registration plan, a trailer or semitrailer
10 owned by a business, corporation, or person other than an
11 individual; or a pole trailer.

12 (2) Except as otherwise provided in subsection (13) or (14),
13 the expiration date for a registration issued for a motorcycle is
14 the motorcycle owner's birthday.

15 (3) The expiration date for a registration bearing the letters
16 "SEN" or "REP" is February 1.

17 (4) In the case of a vehicle owned by a business, corporation,
18 or an owner other than an individual, the secretary of state may
19 assign or reassign the expiration date of the registration.

20 (5) The secretary of state shall do all of the following:

21 (a) After the October 1 immediately preceding the year
22 designated on the registration, issue a registration upon
23 application and payment of the proper fee for a commercial vehicle,
24 other than a pickup or van owned by an individual; or a trailer
25 owned by a business, corporation, or person other than an
26 individual.

27 (b) Beginning 60 days before the expiration date assigned on
28 an international registration plan registration plate, issue a
29 registration under section 801g upon application and payment of the

1 proper apportioned fee for a commercial vehicle engaged in
2 interstate commerce.

3 (c) Beginning 45 days before the owner's birthday or, if the
4 owner has requested the expiration date described in subsection
5 (14), 45 days before the expiration date, and 120 days before the
6 expiration date assigned by the secretary of state, issue a
7 registration for a vehicle other than those designated in
8 subsection (1)(a) or (b). However, if an owner whose registration
9 period begins 45 days before his or her birthday or expiration date
10 will be out of the state during the 45 days immediately preceding
11 expiration of a registration or for other good cause shown cannot
12 apply for a renewal registration within the 45-day period,
13 application for a renewal registration may be made not more than 6
14 months before expiration.

15 (6) Except as otherwise provided in this subsection and
16 subsection (14), the secretary of state, upon application and
17 payment of the proper fee, shall issue a registration for a vehicle
18 or a motorcycle to a resident that expires on the owner's birthday
19 or, if applicable, on the expiration date described in subsection
20 (14). If the owner's next birthday is at least 6 months but not
21 more than 12 months in the future, the owner shall receive a
22 registration valid until the owner's next birthday or, if
23 applicable, the expiration date described in subsection (14). If
24 the owner's next birthday is less than 6 months in the future, the
25 owner shall receive a registration valid until the owner's birthday
26 following the owner's next birthday or, if applicable, the
27 expiration date described in subsection (14). The tax required
28 under this act for a registration described in this subsection is
29 either of the following:

1 (a) For an original registration, the tax must bear the same
2 relationship to the tax required under section 801 for a 12-month
3 registration as the length of the registration bears to 12 months.

4 (b) For a renewal of a registration, either of the following:

5 (i) For a registration that is for at least 6 months but not
6 more than 12 months, the same amount as for 12 months.

7 (ii) For a renewal of a registration that is for more than 12
8 months, 2 times the amount for 12 months.

9 Partial months must be considered as whole months in the
10 calculation of the required tax and in the determination of the
11 length of time between the application for a registration and the
12 owner's next birthday or, if applicable, the expiration date
13 described in subsection (14). The tax required for that
14 registration must be rounded off to whole dollars as provided in
15 section 801.

16 (7) A certificate of title remains valid until canceled by the
17 secretary of state for cause or upon a transfer of an interest
18 shown on the certificate of title.

19 (8) The secretary of state, upon request, shall issue special
20 registration for commercial vehicles, valid for 6 months after the
21 date of issue, if the full registration fee exceeds \$50.00, on the
22 payment of 1/2 the full registration fee and a service charge as
23 enumerated in section 802(1).

24 (9) The secretary of state may issue a special registration
25 for each of the following:

26 (a) A new vehicle purchased or leased outside of this state
27 and delivered in this state to the purchaser or lessee by the
28 manufacturer of that vehicle for removal to a place outside of this
29 state, if a certification is made that the vehicle will be

1 primarily used, stored, and registered outside of this state and
2 will not be returned to this state by the purchaser or lessee for
3 use or storage.

4 (b) A vehicle purchased or leased in this state and delivered
5 to the purchaser or lessee by a dealer or by the owner of the
6 vehicle for removal to a place outside of this state, if a
7 certification is made that the vehicle will be primarily used,
8 stored, and registered outside of this state and will not be
9 returned to this state by the purchaser or lessee for use or
10 storage.

11 (10) A special registration issued under subsection (9) is
12 valid for not more than 30 days after the date of issuance, and a
13 fee must be collected for each special registration as provided in
14 section 802(3). The special registration may be in the form
15 determined by the secretary of state. If a dealer makes a retail
16 sale or lease of a vehicle to a purchaser or lessee who is
17 qualified and eligible to obtain a special registration, the dealer
18 shall apply for the special registration for the purchaser or
19 lessee. If a person other than a dealer sells or leases a vehicle
20 to a purchaser or lessee who is qualified and eligible to obtain a
21 special registration, the purchaser or lessee shall appear in
22 person, or by a person exercising the purchaser's or lessee's power
23 of attorney, at an office of the secretary of state and furnish a
24 certification that the person is the bona fide purchaser or lessee
25 or that the person has granted the power of attorney, together with
26 other forms required for the issuance of the special registration
27 and, **except as provided in section 227c**, provide the secretary of
28 state with proof that the vehicle is covered by an automobile
29 insurance policy issued under section 3101 of the insurance code of

1 1956, 1956 PA 218, MCL 500.3101, or proof that the vehicle is
2 covered by a policy of insurance issued by an insurer under section
3 3163 of the insurance code of 1956, 1956 PA 218, MCL 500.3163. The
4 certification required in this subsection must contain all of the
5 following:

6 (a) The address of the purchaser or lessee.

7 (b) A statement that the vehicle is purchased or leased for
8 registration outside of this state.

9 (c) A statement that the vehicle must be primarily used,
10 stored, and registered outside of this state.

11 (d) The name of the jurisdiction in which the vehicle is to be
12 registered.

13 (e) Other information requested by the secretary of state.

14 (11) In the case of a commercial vehicle, trailer, or
15 semitrailer issued a registration under the international
16 registration plan, the secretary of state in mutual agreement with
17 the owner may assign or reassign the expiration date of the
18 registration. However, the expiration date agreed to must be either
19 March 31, June 30, September 30, or December 31 or beginning on
20 February 19, 2019, the last day of a calendar month. Renewals
21 expiring on or after June 30, 2020 must be for a minimum of at
22 least 12 months if there is a change in the established expiration
23 date. Notwithstanding the provisions of this subsection, a
24 commercial vehicle, trailer, or semitrailer registration issued
25 under this subsection that expires on or after March 1, 2020 is
26 valid until March 31, 2021. Notwithstanding the provisions of this
27 subsection, a commercial vehicle, trailer, or semitrailer
28 registration issued under this subsection that expires after March
29 31, 2021 but before August 1, 2021 is valid until 120 days after

1 the date of the expiration.

2 (12) The expiration date for a multiyear registration issued
3 for a leased vehicle must be the date the lease expires but must
4 not be for a period longer than 24 months.

5 (13) A vehicle registration described in subsection (1) or a
6 motorcycle registration described in subsection (2) that expires on
7 or after March 1, 2020 is valid until March 31, 2021. A vehicle
8 registration described in subsection (1) or a motorcycle
9 registration described in subsection (2) that expires after March
10 31, 2021 but before August 1, 2021 is valid until 120 days after
11 the date of the expiration.

12 (14) ~~In~~ **Beginning October 1, 2022, in** the case of a vehicle
13 owned by an individual, upon request of that individual, a vehicle
14 registration issued by the secretary of state expires 2 years after
15 the owner's birthday.

16 Sec. 227. (1) Application for renewal of a vehicle
17 registration ~~shall~~ **must** be made by the owner upon proper
18 application and by payment of the registration fee for the vehicle,
19 as provided by law.

20 (2) Every application ~~shall~~ **must** be accompanied by the
21 certificate of title pertaining to the vehicle, showing ownership
22 in the person applying for registration at the time of the
23 application. The secretary of state may waive the presentation of
24 the certificate of title.

25 (3) ~~Every~~ **Except as otherwise provided in section 227c, every**
26 application for renewal of a motor vehicle registration ~~shall~~ **must**
27 be accompanied by proof of vehicle insurance in a form determined
28 by the secretary of state.

29 (4) ~~Notwithstanding~~ **Except as otherwise provided in section**

1 **227c and notwithstanding** subsection (3), the secretary of state
 2 shall accept as proof of vehicle insurance a transmission of the
 3 applicant's vehicle policy information for an insured vehicle for
 4 which vehicle registration is sought. The secretary of state may
 5 determine in what format and on what timeline the secretary of
 6 state will receive vehicle policy information, which shall not be
 7 required more frequently than every 14 days. In determining the
 8 format under this subsection, the secretary of state shall consult
 9 with insurers. The transmission to the secretary of state of the
 10 vehicle policy information is proof of insurance to the secretary
 11 of state for motor vehicle registration purposes only and is not
 12 evidence that a policy of insurance actually exists between an
 13 insurer and an individual. Vehicle policy information submitted by
 14 an insurer and received by the secretary of state under this
 15 subsection is confidential, is not subject to the freedom of
 16 information act, 1976 PA 442, MCL 15.231 to 15.246, and ~~shall~~**must**
 17 not be disclosed to any person except the department of community
 18 health for purposes of 2006 PA 593, MCL 550.281 to 550.289, or
 19 under an order by a court of competent jurisdiction in connection
 20 with a claim or fraud investigation or prosecution.

21 (5) ~~(6)~~As used in this section, "policy information" means
 22 the information an automobile insurer is required to supply to the
 23 secretary of state under section 3101a of the insurance code of
 24 1956, 1956 PA 218, MCL 500.3101a.

25 Sec. 227a. (1) ~~If~~**Except as provided in section 227c, if** a
 26 court has notified the secretary of state of a vehicle registration
 27 number as provided in section 328(4) and the owner has not secured
 28 proof that the vehicle involved in the violation is currently
 29 insured under chapter 31 of the insurance code of 1956, ~~Act No.~~

1 **1956 PA 218, of the Public Acts of 1956, being sections MCL**
2 **500.3101 to 500.3179, of the Michigan Compiled Laws,** the secretary
3 of state shall not renew, replace, or transfer the registration
4 plate of the vehicle involved in the violation or allow the
5 purchase of a new registration plate for the vehicle involved in
6 the violation, until the owner or the owner's representative
7 appears at a branch office and does both of the following:

8 (a) Shows a certified statement from an automobile insurer on
9 a standard form prescribed by the commissioner of insurance that
10 the vehicle involved in the violation is currently insured under a
11 prepaid noncancelable policy for a period of not less than 6 months
12 under chapter 31 of ~~Act No.~~ **the insurance code of 1956, 1956 PA**
13 **218, MCL 500.3101 to 500.3179.** ~~of the Public Acts of 1956.~~

14 (b) Pays a fee of \$50.00 in addition to any other fee required
15 by law, of which \$25.00 shall be allocated to the secretary of
16 state to defray the costs of administering this section.

17 (2) ~~The~~ **Except as provided in section 227c, the** secretary of
18 state may cancel the registration of a motor vehicle under either
19 of the following circumstances:

20 (a) The secretary of state receives notice that a court has
21 determined that a vehicle involved in the violation was not insured
22 as required by chapter 31 of ~~Act No.~~ **the insurance code of 1956,**
23 **1956 PA 218, of the Public Acts of 1956, MCL 500.3101 to 500.3179,**
24 at the time of registration.

25 (b) The secretary of state receives notice that a court has
26 determined that the owner or the owner's representative presented a
27 certificate of insurance that was forged, altered, fraudulent, or
28 counterfeit when insurance was required by this act.

29 (3) Before a cancellation occurs under subsection (2), the

1 person who will be affected by the cancellation shall be given
2 notice and an opportunity to be heard.

3 Sec. 227c. (1) An individual is not required to prove to the
4 secretary of state that a vehicle is insured as required under
5 sections 226, 227, and 227a if the individual provides all of the
6 following:

7 (a) Documentation that the individual is an active duty member
8 of the United States Armed Forces.

9 (b) Documentation that the individual is stationed outside of
10 this state.

11 (c) A statement that the vehicle the individual wants to
12 register is owned by the individual and used by the individual or
13 the individual's immediate family member outside of this state.

14 (2) An individual qualified under subsection (1) is not
15 required to insure a vehicle under chapter 31 of the insurance code
16 of 1956, 1956 PA 218, MCL 500.3101 to 500.3179.

17 (3) If an individual is qualified under subsection (1) and is
18 the owner of a motor vehicle who operates or permits the operation
19 of the motor vehicle on the highways of this state, the operator of
20 the motor vehicle shall produce, on the request of a police
21 officer, evidence that the motor vehicle is insured. The motor
22 vehicle is not required to be insured in accordance with chapter 31
23 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to
24 500.3179. A certificate of insurance, in paper or electronic form
25 and issued by an insurance company, is prima facie evidence that
26 insurance is in force for the motor vehicle described in the
27 certificate of insurance until the expiration date shown on the
28 certificate. The certificate, in addition to describing the motor
29 vehicles for which insurance is in effect, must, if applicable,

1 state the name of each individual named on the policy, policy
2 declaration, or a declaration certificate whose operation of the
3 vehicle would cause the liability coverage of that insurance to
4 become void. An owner or operator of a motor vehicle who fails to
5 produce evidence of insurance on request under this subsection is
6 responsible for a civil infraction.

7 (4) If, before the appearance date on a citation issued under
8 subsection (3), the defendant submits proof to the court that the
9 motor vehicle had insurance at the time the violation of subsection
10 (3) occurred, both of the following apply:

11 (a) The court shall not assess a fine, fee, or costs.

12 (b) The court shall not forward an abstract of the court
13 record to the secretary of state.

14 Sec. 328. (1) The owner of a motor vehicle who operates or
15 permits the operation of the motor vehicle on the highways of this
16 state or the operator of the motor vehicle shall produce, under
17 subsection (2), on the request of a police officer, evidence that
18 the motor vehicle is insured under chapter 31 of the insurance code
19 of 1956, 1956 PA 218, MCL 500.3101 to 500.3179. Subject to section
20 907(14), an owner or operator of a motor vehicle who fails to
21 produce evidence of insurance on request under this subsection or
22 who fails to have motor vehicle insurance for the vehicle as
23 required under chapter 31 of the insurance code of 1956, 1956 PA
24 218, MCL 500.3101 to 500.3179, is responsible for a civil
25 infraction. If an individual displays an electronic copy of his or
26 her certificate of insurance using an electronic device, the police
27 officer shall only view the electronic copy of the certificate of
28 insurance and shall not manipulate the electronic device to view
29 any other information on the electronic device. An individual who

1 displays an electronic copy of his or her certificate of insurance
2 using an electronic device as provided in this subsection is not
3 presumed to have consented to a search of the electronic device. A
4 police officer may require the individual to electronically forward
5 the electronic copy of the certificate of insurance to a specified
6 location provided by the police officer. The police officer may
7 then view the electronic copy of the certificate of insurance in a
8 setting in which it is safe for the officer to verify that the
9 information contained in the electronic copy of the certificate of
10 insurance is valid and accurate. This state, a law enforcement
11 agency, or an employee of this state or a law enforcement agency is
12 not liable for damage to or loss of an electronic device that
13 occurs as a result of a police officer's viewing an electronic copy
14 of a certificate of insurance in the manner provided in this
15 section, regardless of whether the police officer or the owner or
16 operator of the vehicle was in possession of the electronic device
17 at the time the damage or loss occurred.

18 (2) A certificate of insurance, in paper or electronic form
19 and issued by an insurance company, that certifies that the
20 security that meets the requirements of sections 3101 and 3102 of
21 the insurance code of 1956, 1956 PA 218, MCL 500.3101 and 500.3102,
22 is in force is prima facie evidence that insurance is in force for
23 the motor vehicle described in the certificate of insurance until
24 the expiration date shown on the certificate. The certificate, in
25 addition to describing the motor vehicles for which insurance is in
26 effect, must, if applicable, state the name of each individual
27 named on the policy, policy declaration, or a declaration
28 certificate whose operation of the vehicle would cause the
29 liability coverage of that insurance to become void.

1 (3) If, before the appearance date on a citation issued under
2 subsection (1), the defendant submits proof to the court that the
3 motor vehicle had insurance meeting the requirements of sections
4 3101 and 3102 of the insurance code of 1956, 1956 PA 218, MCL
5 500.3101 and 500.3102, at the time the violation of subsection (1)
6 occurred, all of the following apply:

7 (a) The court shall not assess a fine or costs.

8 (b) The court shall not forward an abstract of the court
9 record to the secretary of state.

10 (c) The court may assess a fee of not more than \$25.00 that
11 shall be paid to the court funding unit.

12 (4) If an owner or operator of a motor vehicle is determined
13 to be responsible for a violation of subsection (1), the court in
14 which the civil infraction determination is entered may require the
15 individual to surrender his or her operator's or chauffeur's
16 license unless proof that the vehicle has insurance that meets the
17 requirements of sections 3101 and 3102 of the insurance code of
18 1956, 1956 PA 218, MCL 500.3101 and 500.3102, is submitted to the
19 court. If the court requires the license to be surrendered, the
20 court shall order the secretary of state to suspend the
21 individual's license. The court shall immediately destroy the
22 license and shall forward an abstract of the court record to the
23 secretary of state as required by section 732. On receipt of the
24 abstract, the secretary of state shall suspend the individual's
25 license beginning with the date on which the individual is
26 determined to be responsible for the civil infraction for a period
27 of 30 days or until proof of insurance that meets the requirements
28 of sections 3101 and 3102 of the insurance code of 1956, 1956 PA
29 218, MCL 500.3101 and 500.3102, is submitted to the secretary of

1 state, whichever occurs later. An individual who submits proof of
2 insurance to the secretary of state under this subsection shall pay
3 a service fee of \$25.00 to the secretary of state. The individual
4 shall not be required to be examined under section 320c and shall
5 not be required to pay a replacement license fee.

6 (5) If an owner or operator of a motor vehicle is determined
7 to be responsible for a violation of subsection (1), the court in
8 which the civil infraction determination is entered shall notify
9 the secretary of state of the vehicle registration number and the
10 year and make of the motor vehicle being operated at the time of
11 the violation. A notification under this subsection must be made on
12 the abstract or on a form approved by the supreme court
13 administrator. On receipt, the secretary of state shall immediately
14 enter this information in the records of the department. The
15 secretary of state shall not renew, transfer, or replace the
16 registration plate of the vehicle involved in the violation or
17 allow the purchase of a new registration plate for the vehicle
18 involved in the violation until the owner meets the requirements of
19 section 227a or unless the vehicle involved in the violation is
20 transferred or sold to a person other than the owner's spouse,
21 mother, father, sister, brother, or child.

22 (6) An owner or operator of a motor vehicle who knowingly
23 produces false evidence under this section is guilty of a
24 misdemeanor punishable by imprisonment for not more than 1 year or
25 a fine of not more than \$1,000.00, or both.

26 (7) Points must not be entered on a driver's record under
27 section 320a for a violation of this section.

28 (8) This section does not apply to the owner or operator of a
29 motor vehicle that is registered in a state other than this state

1 or a foreign country or province.

2 **(9) This section does not apply to an individual who is the**
3 **owner or operator of a vehicle registered and insured in accordance**
4 **with section 227c if that vehicle is temporarily operated in this**
5 **state.**

6 Enacting section 1. This amendatory act does not take effect
7 unless Senate Bill No. _____ or House Bill No. 5649 (request no.
8 04073'21 a) of the 101st Legislature is enacted into law.