



**House  
Legislative  
Analysis  
Section**

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**UNINSURED MOTORCYCLES: PENALTIES**

House Bill 4049 with committee amendment  
First Analysis (4-7-87)

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Sponsor: Rep. Alvin Hoekman  
Committee: Insurance

MAY 07 1987

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***THE APPARENT PROBLEM:***

Owners and registrants of motor vehicles who do not carry the mandatory no-fault insurance coverages are guilty of a misdemeanor punishable by a \$200-\$500 fine, one year's imprisonment, or both. The same penalties apply to anyone who operates a motor vehicle with the knowledge that it is not insured and to someone from out of state who operates a motor vehicle in the state for more than 30 days in aggregate in a calendar year. The penalties do not, however, apply to motorcyclists. This is because motorcycles are not included in the definition of "motor vehicle" found in the sections of the Insurance Code that apply to no-fault and related coverages. Motorcycles were included under that definition until 1981, when a new act altering the treatment of motorcyclists under the no-fault system was passed containing a separate definition of "motorcycle". The penalty section was not amended to take the change into account. Although motorcyclists are not required to carry the package of no-fault coverages required of car and truck operators, they are required to have third-party liability insurance to cover physical injuries or property damage done to others. It has been recommended that motorcyclists who fail to carry mandatory insurance be made subject to the same penalties as other vehicle operators and owners.

***THE CONTENT OF THE BILL:***

The bill would amend the Insurance Code to subject motorcyclists who fail to carry required insurance coverages to the penalties that currently exist for owners, registrants, and operators of uninsured "motor vehicles" (MCL 500.3102).

***FISCAL IMPLICATIONS:***

According to the Insurance Bureau, within the Department of Licensing and Regulation, the bill has no fiscal implications (2-16-87).

***ARGUMENTS:***

***For:***

The bill would make it clear that the legislature wants motorcyclists who don't maintain the required insurance to be treated the same way as owners and operators of other illegally uninsured vehicles. Without penalties, it is difficult to enforce the motorcycle insurance requirement.

***POSITIONS:***

The Insurance Bureau, within the Department of Licensing and Regulation, supports the bill (2-16-87).

H.B. 4049 (4-7-87)