



HOUSE BILL No. 5406

November 9, 1995, Introduced by Reps. Pitoniak, Anthony, Tesanovich, DeMars, Scott, Dalman, Voorhees and Hill and referred to the Committee on Insurance.

A bill to amend section 328 of Act No. 300 of the Public Acts of 1949, entitled as amended "Michigan vehicle code," as added by Act No. 459 of the Public Acts of 1980, being section 257.328 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 328 of Act No. 300 of the Public Acts of
2 1949, as added by Act No. 459 of the Public Acts of 1980, being
3 section 257.328 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 328. (1) The owner of a motor vehicle who operates or
6 permits the operation of the motor vehicle upon the highways of
7 this state or the operator of the motor vehicle shall produce,
8 pursuant to subsection (2), upon the request of a police officer,
9 evidence that the motor vehicle is insured under chapter 31 of

1 Act No. 218 of the Public Acts of 1956, ~~as amended,~~ being
2 sections 500.3101 to 500.3179 of the Michigan Compiled Laws. An
3 owner or operator of a motor vehicle who fails to produce evi-
4 dence under this subsection when requested to produce that evi-
5 dence is responsible for a civil infraction.

6 (2) A certificate of insurance, if issued by an insurance
7 company, which certificate states that security which meets the
8 requirements of sections 3101 and 3102 of Act No. 218 of the
9 Public Acts of 1956, ~~as amended,~~ being sections 500.3101 and
10 500.3102 of the Michigan Compiled Laws, is in force shall be
11 accepted as prima facie evidence that insurance is in force for
12 the motor vehicle described in the certificate of insurance until
13 the expiration date shown on the certificate. The certificate,
14 in addition to describing the motor vehicles for which insurance
15 is in effect, shall state the name of each person named on the
16 policy, policy declaration, or a declaration certificate whose
17 operation of the vehicle would cause the liability coverage of
18 that insurance to become void.

19 (3) If an owner of a motor vehicle is determined to be
20 responsible for a violation of subsection (1), the court in which
21 the civil infraction determination is entered may require the
22 person to surrender his or her operator's or chauffeur's license
23 unless proof that the vehicle has insurance meeting the require-
24 ments of section 3102 of Act No. 218 of the Public Acts of 1956
25 ~~as amended,~~ is submitted to the court. If the court requires
26 the license to be surrendered, the court shall order the
27 secretary of state to suspend the person's license and shall

1 forward the surrendered license and a certificate of civil
2 infraction to the secretary of state. Upon receipt of the cer-
3 tificate of civil infraction and the surrendered license, the
4 secretary of state shall suspend the person's license beginning
5 with the date on which a person is determined to be responsible
6 for the civil infraction for a period of 30 days or until proof
7 of insurance which meets the requirements of section 3102 of Act
8 No. 218 of the Public Acts of 1956 ~~, as amended,~~ is submitted
9 to the secretary of state, whichever occurs later. If the
10 license is not forwarded, an explanation of the reason why it is
11 not forwarded shall be attached. A person who submits proof of
12 insurance to the secretary of state under this subsection shall
13 pay a service fee of \$10.00 to the secretary of state. The
14 person shall not be required to be examined as set forth in sec-
15 tion 320c.

16 (4) IF AN OWNER OF A MOTOR VEHICLE IS DETERMINED TO BE
17 RESPONSIBLE FOR A SECOND OR SUBSEQUENT VIOLATION OF SUBSECTION
18 (1) AFTER HIS OR HER LICENSE HAS BEEN SUSPENDED UNDER
19 SUBSECTION (3), THE COURT IN WHICH THE CIVIL INFRACTION DETERMI-
20 NATION IS ENTERED MAY ORDER THE MOTOR VEHICLE IMPOUNDED OR IMMO-
21 BILIZED FOR NOT LESS THAN A PERIOD THE COURT ORDERS BUT NOT MORE
22 THAN 120 DAYS FROM THE DATE OF ENTRY OF THE CIVIL INFRACTION
23 DETERMINATION OR UNTIL THE OWNER PRESENTS A CERTIFICATE OF INSUR-
24 ANCE TO THE COURT AS PROVIDED IN SUBSECTION (2), WHICHEVER IS
25 EARLIER.

26 (5) AN ORDER FOR THE IMPOUNDING OR IMMOBILIZING OF A MOTOR
27 VEHICLE ISSUED UNDER SUBSECTION (4) IS VALID THROUGHOUT THE

1 STATE. ANY PEACE OFFICER MAY EXECUTE THE IMPOUNDMENT ORDER. THE
2 ORDER SHALL INCLUDE THE IMPLIED CONSENT OF THE OWNER OF THE VEHI-
3 CLE TO THE STORAGE FOR INSURANCE COVERAGE PURPOSES.

4 (6) THE OWNER OF A MOTOR VEHICLE OR THE PERSON LEASING THE
5 MOTOR VEHICLE IMPOUNDED OR IMMOBILIZED PURSUANT TO THIS SECTION
6 IS LIABLE FOR EXPENSES INCURRED IN THE REMOVAL AND STORAGE OF THE
7 VEHICLE WHETHER OR NOT THE VEHICLE IS RETURNED TO HIM OR HER.
8 THE VEHICLE SHALL BE RETURNED TO THE OWNER ONLY IF THE OWNER OR
9 LESSOR PAYS THE EXPENSES FOR REMOVAL AND STORAGE. IF REDEMPTION
10 IS NOT MADE OR THE VEHICLE IS NOT RETURNED AS PROVIDED IN THIS
11 SECTION WITHIN 30 DAYS AFTER THE TIME SET IN THE IMPOUNDMENT OR
12 IMMOBILIZATION ORDER FOR RETURN OF THE VEHICLE, THE VEHICLE SHALL
13 BE CONSIDERED AN ABANDONED VEHICLE AND DISPOSED OF AS PROVIDED IN
14 SECTION 252A.

15 (7) THIS SECTION DOES NOT AFFECT THE RIGHTS OF A CONDITIONAL
16 VENDOR, CHATTEL MORTGAGEE, OR LESSOR OF A MOTOR VEHICLE REGIS-
17 TERED IN THE NAME OF ANOTHER PERSON AS OWNER WHO BECOMES SUBJECT
18 TO THIS ACT.

19 (8) ~~(4)~~ An owner or operator of a motor vehicle who know-
20 ingly produces false evidence under this section is guilty of a
21 misdemeanor, punishable by imprisonment for not more than 1 year,
22 or a fine of not more than \$500.00, or both.

23 (9) ~~(5)~~ Points shall not be entered on a driver's record
24 pursuant to section 320a for a violation of this section.

25 (10) ~~(6)~~ This section does not apply to the owner or oper-
26 ator of a motor vehicle that is registered in a state other than
27 this state or a foreign country or province.