

# SENATE BILL No. 634

July 16, 2003, Introduced by Senators OLSHOVE, LELAND, SCOTT, PATTERSON, JACOBS, BRATER, CLARK-COLEMAN, BERNERO, CHERRY, SCHAUER, BARCIA, BASHAM, GILBERT and CLARKE and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 3101a (MCL 500.3101a), as amended by 1996 PA 456.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

SENATE BILL No. 634

1       Sec. 3101a. (1) An insurer ~~—, in conjunction with the~~  
2 ~~issuance of~~ **that issues** an automobile insurance policy, as  
3 defined in section 3303, shall provide 2 certificates of  
4 insurance for each insured vehicle. The insurer shall mark 1 of  
5 the certificates as the secretary of state's copy, which copy,  
6 except as otherwise provided in subsection (2), shall be filed  
7 with the secretary of state by the policyholder upon application  
8 for a vehicle registration. The secretary of state shall ~~not~~  
9 maintain the certificate of insurance received under this  
10 subsection on file. **An insurer shall notify the secretary of**

1 state if a policy expires without being renewed or is terminated  
2 or if a policyholder cancels his or her automobile insurance  
3 policy. The notice of expiration, termination, or cancellation  
4 shall contain all of the following information:

- 5 (a) The vehicle identification number.
- 6 (b) The name and address of the insurer.
- 7 (c) The insurance policy number.
- 8 (d) The time and date of expiration, termination, or  
9 cancellation.

10 (2) The secretary of state shall accept as proof of vehicle  
11 insurance a transmission, in the format required by the secretary  
12 of state, of the insured vehicle's vehicle identification  
13 number. Vehicle identification numbers received by the secretary  
14 of state under this subsection are confidential and shall not be  
15 disclosed to any person except ~~pursuant to an order~~ by **order of**  
16 a court of competent jurisdiction in connection with a claim or  
17 fraud investigation or prosecution. The transmission to the  
18 secretary of state of a vehicle identification number is proof of  
19 insurance to the secretary of state for motor vehicle  
20 registration purposes only and is not evidence that a policy of  
21 insurance actually exists between an insurer and an individual.

22 (3) A person who **fails to supply information to the secretary**  
23 **of state or who** supplies false information to the secretary of  
24 state under this section or who issues or uses an altered,  
25 fraudulent, or counterfeit certificate of insurance is guilty of  
26 a misdemeanor punishable by imprisonment for not more than 1  
27 year, or a fine of not more than \$1,000.00, or both.

1           Enacting section 1. This amendatory act does not take  
2 effect unless Senate Bill No. 638  
3   of the 92nd Legislature is enacted into  
4 law.