

HOUSE BILL NO. 5432

October 20, 2021, Introduced by Reps. Hertel, Beeler, Damoose and Witwer and referred to the Committee on Regulatory Reform.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 127 (MCL 500.127), as added by 2009 PA 230.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 127. (1) A ~~guaranteed-asset~~**motor vehicle financial**
2 protection ~~waiver~~**product** that is subject to the ~~guaranteed-asset~~
3 **motor vehicle financial** protection ~~waiver~~**products** act, **2009 PA**
4 **229, MCL 492.21 to 492.34**, is not insurance or the business of
5 insurance and is not subject to this act.

6 (2) A person is not required to obtain a certificate of

1 authority or license under this act to market, sell, or offer to
2 sell ~~guaranteed asset motor vehicle financial~~ protection waivers
3 **products** in compliance with the ~~guaranteed asset motor vehicle~~
4 **financial** protection waiver ~~products~~ act, 2009 PA 229, MCL 492.21
5 to 492.34, to borrowers.

6 (3) A ~~guaranteed asset motor vehicle financial~~ protection
7 waiver ~~product~~ issued before the effective date of the amendatory
8 act that added this section shall **January 8, 2010 must** not be
9 construed as insurance.

10 (4) As used in this section: ~~,"borrower" and "guaranteed~~
11 ~~asset~~

12 (a) **"Borrower"** means that term as defined in section 4 of the
13 **motor vehicle financial protection products act, 2009 PA 229, MCL**
14 **492.24.**

15 (b) **"Motor vehicle financial protection waiver"** ~~mean those~~
16 ~~terms~~ **product"** means that term as defined in section 3 of the
17 ~~guaranteed asset motor vehicle financial~~ protection waiver ~~products~~
18 act, 2009 PA 229, MCL 492.23.

19 Enacting section 1. This amendatory act takes effect, and
20 applies to a motor vehicle financial protection product that
21 becomes effective on or after, 180 days after the date this
22 amendatory act is enacted into law.

23 Enacting section 2. This amendatory act does not take effect
24 unless Senate Bill No. ____ or House Bill No. 5429 (request no.
25 04458'21) of the 101st Legislature is enacted into law.