

Legislative Analysis



PROVIDE TORT LIABILITY FOR CERTAIN PROPERTY DAMAGE

Phone: (517) 373-8080
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House Bill 6484 as reported from committee
Sponsor: Rep. Triston Cole
Committee: Transportation and Infrastructure
Complete to 12-5-18

Analysis available at
<http://www.legislature.mi.gov>

(Enacted as Public Act 677 of 2018)

SUMMARY:

House Bill 6484 would amend the Insurance Code by adding Section 3136 to create tort liability for property damage arising from a motor vehicle accident under certain circumstances.

The new section would specify that, in addition to tort liability for certain noneconomic loss as described in Section 3135 of the Code,¹ tort liability would also apply to damage to tangible property arising from one accident in excess of the limit specified in Section 3121 of the Code² (currently \$1.0 million) for which liability insurance required by federal statute or regulation is in effect. The exception provided would be limited to the amount of the applicable limit under the insurance policy in effect less the limit under Section 3121 or \$4.0 million in excess of that limit, whichever is less.

Proposed MCL 500.3136

FISCAL IMPACT:

House Bill 6484 would not have an impact on expenditures or revenues for any unit of state or local government.

POSITIONS:

A representative of the Department of Transportation testified in support of the bill.
(11-27-18)

The Property and Casualty Insurance Association of America indicated opposition to the bill.
(11-27-18)

Legislative Analyst: E. Best
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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

¹ <http://legislature.mi.gov/doc.aspx?mcl-500-3135>

² <http://legislature.mi.gov/doc.aspx?mcl-500-3121>