



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 6484 (as passed by the House)
Sponsor: Representative Triston Cole
House Committee: Transportation and Infrastructure
Senate Committee: Insurance

Date Completed: 12-12-18

CONTENT

The bill would amend the Insurance Code to specify that, in addition to the exceptions expressed in Section 3135, the abolition of tort liability under that section would not apply to damage to tangible property arising from one accident in excess of the limit in Section 3121 for which liability insurance required by Federal statute or regulation was in effect.

(Section 3135 precludes tort liability arising from the ownership, maintenance, or use of a motor vehicle for which the security required under the Code is in effect, subject to certain exceptions. Section 3121 specifies that property protection insurance benefits consist of the lesser of reasonable repair costs or replacement costs less depreciation and, if applicable, the value of the loss. However, property protection insurance benefits paid under one policy for damage to all tangible property arising from one accident cannot exceed \$1.0 million.)

The exception provided by the bill 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 the limit in Section 3121, whichever was less.

The bill would take effect 90 days after its enactment.

Proposed MCL 500.3136

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Steve Angelotti
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.