

Legislative Analysis



INSTRUCTION ON AUTO INSURANCE IN DRIVER EDUCATION COURSES

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4723 as introduced
Sponsor: Rep. Jeff Yaroach
Committee: Transportation
Revised 7-9-20

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

SUMMARY:

House Bill 4723 would amend the Driver Education Provider and Instructor Act to require a driver education course to include instruction on automobile insurance.¹ The instruction would have to include information on all of the following:

- The requirement to obtain auto insurance and the penalties for operating a motor vehicle without it.
- Minimum auto insurance coverage required by law.
- The ability to buy higher coverage limits and optional auto insurance coverage.
- The benefits and limitations of each type of coverage.
- Insurance costs and deductibles.

The instruction would have to be included in the model curriculum for teen driver training prescribed under the act by the Secretary of State, as well as any alternative curriculum approved by the Secretary of State, and it would have to be integrated into Segment 1 (the initial teen driver education course) classroom instruction.

MCL 256.655 and 256.657

The bill would take effect 90 days after being enacted.

FISCAL IMPACT:

The bill would not have a direct fiscal impact on the state or local units of government.

Legislative Analyst: E. Best
Fiscal Analyst: Michael Cnossen

■ 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 The Department of Insurance and Financial Services (DIFS) has produced an educational video to introduce new and current drivers to the basics of Michigan automobile insurance laws. The video would meet the bill's educational requirements.