DIFS DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Michigan's Auto Insurance Law Has Changed

The information contained in the following publication pertains to auto insurance policies issued on or before July 1, 2020. Publications about auto insurance policies issued on or after July 2, 2020 are available at michigan.gov/autoinsurance.

For more information about the new auto insurance law and how it will affect you, please visit: www.michigan.gov/AutoInsurance.

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
LANSING

ANITA G. FOX
DIRECTOR

AUTO INSURANCE FIRE LOSS PROGRAM

This program was created by the enactment of Public Act 413 of 2000 (House Bill 4332) that added Section 3010 to the Insurance Code (MCL 500.3010) to create the auto insurance fire loss program. The program provides that an automobile insurer shall require its insured to complete and submit a report, on a form prescribed by the state fire marshal, prior to the payment of a claim of $2,000 or more for a fire or explosion loss to an insured motor vehicle that may not have been accidental and that occurred within a municipality that is a participant in this program.

You should review Section 500.3010 of the Michigan Insurance Code to determine your municipality's eligibility and interest in becoming a participant in this program.

Municipalities that meet one of the population criteria in Section 500.3010(8) must submit the enrollment form along with a copy of an appropriate resolution as passed by its governing board before they may be eligible for enrollment in this program. While there is no standard format for the resolution, we suggest that municipalities use the format of other resolutions adopted by their governing body and include language similar to the attached sample resolution.

Once the resolution is passed, you need to provide the Department of Insurance and Financial Services (DIFS) with a copy, along with the enrollment form including the name and address of the fire or law enforcement official designated as the individual responsible for this program in your municipality. Your municipality and the designated official's name, address and telephone number would then be added to the list of municipalities currently participating in the program.

Updated lists are issued periodically by DIFS and distributed to licensed insurance companies. Because municipalities are prohibited from implementing the law no sooner than thirty (30) days after insurers have been notified, each amended list contains an effective date for each municipality. Only **losses occurring after that date** are subject to the provisions of this program.

The State Fire Marshal's office is responsible for the report form that must be completed when an auto fire loss occurs that meets the parameters of this program. You may obtain copies of this report form from the State Fire Marshal's office by contacting Rhonda Howard at 517-241-2807, or you may download copies of the form on the State Fire Marshal's website.

Should you have any further questions about this program, please contact DIFS toll free at 877-999-6442.

Auto Insurance Fire Loss Program
Enrollment and Notification

Please type or print clearly

Name of Municipality	Type of Municipality (choose one)	Located in the Michigan County of:
Name and title of Contact Person	☐ City ☐ Village ☐ Township	
Contact Person complete address	***Please return completed form to:***	
Contact Person phone number (with area code) ( )	**Department of Insurance and Financial Services** **Office of Consumer Services** **PO Box 30220** **Lansing MI 48909-7720**	
Contact Person email address		

Municipality will be participating under the following section of the Michigan Insurance Code (choose one):

☐ Section 3010(8) (a) - Municipalities located in counties with a population of 425,000 or more.

☐ Section 3010(8) (b) - Municipalities with a population of 50,000 or more located in counties with a population of less than 425,000

Please enroll this municipality in the Auto Insurance Fire Loss Program.

Authorized signature	Date signed	Signer's name and title, typed or printed

PA 413 of 2000 requires submission of this information by municipalities that wish to enroll in the Auto Insurance Fire Loss Program.

SAMPLE RESOLUTION #_____ (Auto Insurance Fire Loss Program)

*TOWNSHIP/CITY/VILLAGE OF*_____

WHEREAS, the provisions of Act 413 of the Public Acts of 2000 (MCL 500.3010), provide that an automobile insurer shall require its insured to complete and submit a report, on a form prescribed by the state fire marshal, prior to the payment of a claim for $2,000 or more for a fire or explosion loss to an insured motor vehicle that may not have been accidental and which occurs within a municipality participating in the program created by this act.

WHEREAS, the *Township/Village/City of* _____ has determined that it will participate in said program and wishes to be included in the list of participating municipalities published by the Commissioner; and,

WHEREAS, the *Township/Village/City of* _____ desires to implement all procedures necessary to administer said program and to receive the report prescribed by the state fire marshal, by designating the *Township/Village/City* fire or law enforcement official responsible for administration of the program for said purpose.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. That the *Township/Village/City of* _____ does hereby agree to become a participating municipality in the program established by Act 413 of the Public Acts of 2000; and does declare its intention to uniformly apply the provisions of Section 3010 of the Michigan Insurance Code (MCL 500.3010) to all automobile fires or explosions within the *Township/Village/City of* _____.

2. That the participation of the *Township/Village/City of* _____ in said program shall be effective on the date specified by the commissioner on a list distributed to all participating municipalities and all insurers transacting automobile insurance in this state. This program will not apply to any losses occurring prior to this effective date.

3. That the *Township/Village/City of* _____ fire or law enforcement official responsible for the administration of Section 3010 of said Acts is hereby designated as follows:

_____

Name, *Capacity*

Date _____