

As many of you are aware, this past May, Senate Bill 1 was passed into law which made unprecedented and sweeping changes to Michigan's No Fault insurance system.

The No Fault act provides payment of vital benefits including but not limited to medical expenses, attendant care, home modifications, wage loss and household chore expenses to those persons injured in an accident involving a motor vehicle. Under Senate Bill 1, beginning on July 1, 2020, persons seeking to obtain or renew their auto insurance policies will be given a choice regarding the medical portion of their no fault benefits. Essentially, a person may choose to completely opt out of having any no fault medical benefits so long as they have Medicare or cap their medical portion of their no fault benefits at \$50,000.00 so long as the person has Medicaid; \$250,000.00; \$500,000.00 or keep it unlimited as was the status quo before the law changed. When a motorcyclist is injured in an accident involving a motor vehicle, it is the insurer of the owner, registrant or operator of the motor vehicle that is first in priority to pay the motorcyclist's no fault benefits. Under Senate Bill 1, with very limited exceptions, **the injured motorcyclist's claim for no fault benefits will be bound by the cap that the motorist chose for himself/herself on his/her auto policy!** Put another way, if a motorcyclist incurs medical expenses in excess of the cap that the motorist chose for himself/herself on his/her auto insurance policy, there is no additional claim for no fault medical expense available to the motorcyclist under that policy.

As an attorney who represents injured motorcyclists on a daily basis, I can tell you that many motorcyclists I have represented have incurred medical expenses far in excess of \$500,000.00 given the catastrophic nature of the injuries that many motorcyclists suffer in accidents, let alone the lower caps that are afforded as choices to motorists under Senate Bill 1. It is facially discriminatory for a no fault reform bill which opted to utilize the notion of choice as a cost containment measure to have blatantly denied such a choice to motorcyclist and instead hold the motorcyclist hostage to the choice the motorist made for himself/herself.

Since the passage of the bill, I along with various members of ABATE's Board of Directors and membership have gone to Lansing in attempt to fix this financially devastating and discriminatory portion of Senate Bill 1. As part of our efforts, I drafted a proposed bill to fix this situation. In my proposed bill, instead of the involved motor vehicle's insurance being first in priority to pay the motorcyclists no fault benefits, it would be the **operator of the motorcycle's own auto policy** that would be first in priority to pay. In other words, after July 1, 2020, when a motorcyclist obtains or renews his/her auto insurance, the cap or unlimited status that he/she chooses will not only apply to him/her in a car accident but would also apply to him/her in a motorcycle accident with a motor vehicle. This way, the **choice of benefits would belong to the motorcyclist**, not to the owner or operator of the motor vehicle that was in the accident with the motorcycle.

Fortunately, our efforts have paid off as **today Senator Majority WHIP Peter Lucido (R – 8th District) introduced Senate Bill 528 which adopts my suggestions in their entirety.** It is **vital** that every member of ABATE contact their legislators and voice their support of Senate Bill 528. To further these efforts, I have attached a paper with talking points that members can use when urging their legislators to support this bill. Even more important at this point is to contact the Committee on Insurance and Banking to whom Senate Bill 528 is first referred. The members of the Committee are as follows:

Lana Theis (R) Chair

Dan Lauwers (R) Vice Chair

Kim LaSata (R)

Aric Nesbitt (R)

Kevin Daley (R)

Tom Barrett (R)

Ken Horn (R)

Erika Geiss (D) Minority Vice Chair

Marshall Bullock (D)

Mallory McMorrow (D)

I invite all recipients of this e-mail to share it and the attachments with the members in your Region in an effort to get Senate Bill 528 passed into law to protect the health and financial integrity of all motorcyclists across our great State of Michigan.

Respectfully,

Dondi Vesprini

Attorney for ABATE of Michigan