

STATE OF MICHIGAN
COURT OF APPEALS

GUS REYNOLDS and GERMAINE REYNOLDS,

Plaintiffs-Appellants,

-v-

No. 88899

DETROIT AUTOMOBILE INTER-INSURANCE
EXCHANGE,

Defendant-Appellee.

BEFORE: Beasley, P.J., and H. Hood, and E.E. Borradaile*, JJ.

PER CURIAM

Plaintiffs appeal by right from a judgment of the trial court holding defendant free from liability for payment of personal injury protection benefits under the no-fault act. The sole issue on appeal concerns priorities among insurance carriers under the no-fault act.

On September 26, 1980, plaintiff, Gus Reynolds, was injured during the course of his employment with Pam Products, Inc., while occupying a 1962 Ford tank truck. The truck was owned by Pavement Sealants Corporation, but had been leased to Pam Products since July 1, 1979. The truck was covered under an insurance policy issued by Wolverine Mutual Insurance Company. At the time of the accident, plaintiff owned a personal automobile which was insured by defendant, Detroit Automobile Inter-Insurance Exchange (DAIIE).

On September 9, 1981, plaintiff filed suit against the State of Michigan No-Fault Assigned Claims Facility, Wolverine Mutual Insurance Company, and DAIIE, seeking payment of no-fault wage loss benefits in excess of benefits provided by plaintiff's worker's compensation carrier. Apparently, Wolverine Mutual Insurance Company was never served. DAIIE was the only defendant at trial. Following trial on stipulated facts, the trial court entered a judgment in favor of defendant DAIIE.

On appeal, plaintiffs argue that the trial court erred in finding defendant DAIIE free from liability for payment of personal injury protection benefits. We disagree.

* Circuit judge, sitting on the Court of Appeals by assignment.

Priorities among insurance carriers under the no-fault act are governed by MCL 500.3114; MSA 24.13114, which provides in pertinent part:

"(1) Except as provided in subsections (2), (3), and (5), a personal protection insurance policy described in section 3101(1) applies to accidental bodily injury to the person named in the policy, the person's spouse, and a relative of either domiciled in the same household, if the injury arises from a motor vehicle accident. . . .

"(3) An employee, his or her spouse, or a relative of either domiciled in the same household, who suffers accidental bodily injury while an occupant of a motor vehicle owned or registered by the employer, shall receive personal protection insurance benefits to which the employee is entitled from the insurer of the furnished vehicle."

Plaintiffs contend that subsection (3) of the statute is inapplicable in this instance because the vehicle involved in the accident was only leased by plaintiff's employer and was not owned or registered by plaintiff's employer.

Although the phrase "owned or registered" is used throughout the no-fault chapter of the Insurance Code, the phrase is not defined in the Insurance Code. Plaintiffs argue that the phrase should be strictly construed as to render §3114(3) inapplicable in the instant case. We disagree. In State Farm Mutual Automobile Ins Co v Sentry Ins, 91 Mich App 109, 113-114; 283 NW2d 661 (1979), lv den 407 Mich 911 (1979), this Court held that the definition of "owner" found in the Michigan Vehicle Code, MCL 257.37; MSA 9.1837, may be construed in pari materia with the no-fault act to determine priorities between insurance companies. See also Jansinski v National Indemnity Ins Co, 151 Mich App 812, 818-819; 391 NW2d 500 (1986). MCL 257.37; MSA 9.1837 provides in pertinent part:

"'Owner' means: (a) Any person, firm, association or corporation renting a motor vehicle or having the exclusive use thereof, under a lease or otherwise, for a period of greater than 30 days."

Under this definition plaintiff's employer, Pam Products, as well as Pavement Sealant Corporation would be considered the owner of the truck.

Pursuant to this Court's holding in State Farm, supra, the trial court properly found §3114(3) of the no-fault act

applicable in this case. The trial court did not err in entering judgment in favor of defendant DAIE.

AFFIRMED.

/s/ William R. Beasley
/s/ Harold Hood
/s/ Earl E. Borradaile