

STATE OF MICHIGAN

COURT OF APPEALS

TRAVELERS INSURANCE COMPANY,

Plaintiff-Appellee,

-vs-

No. 100317

JOE L. PRICE,

Defendant-Appellant,

and

ELLWOOD PAYNE,

Defendant. /

BEFORE: G.R. McDonald, P.J., D.E. Holbrook, Jr. and P.R. Thomas\*, JJ.

PER CURIAM

Defendant appeals of right from a judgment for the plaintiff.

The trial judge decided this matter by written opinion on the briefs of the parties and their representation that there were no disputed facts. Defendant now claims that the trial court misinterpreted applicable sections of the no-fault automobile insurance act, MCL 500.3101 et. seq.; MSA 24.13101 et. seq., particularly, MCL 500.3177; MSA 24.13177 and MCL 500.3101(1); MSA 24.13101(1). Also, plaintiff now claims that it never stipulated that the driver of the defendant's motor vehicle took the defendant's motor vehicle without defendant's knowledge or consent or that the defendant's vehicle was stored and not intended to be driven.

It appears that on August 6, 1982, a motor vehicle owned by defendant, Joe L. Price, was involved in a single-car accident which caused serious injury to its sole occupant, Ellwood Payne. Neither defendant nor Payne were insured and, therefore, Payne's claim was assigned to plaintiff, Travelers Insurance Company, through the assigned claims plan for uninsured motorists. Plaintiff paid personal protection insurance benefits in the sum of \$47,633.34 to or on behalf of Payne. Thereafter, plaintiff brought suit against defendant, Joe L. Price, for reimbursement of the amount paid to Payne.

The section of the no-fault automobile insurance act relied upon by plaintiff in seeking reimbursement is MCL 500.3177; MSA 24.13177, which at the time the claim was filed stated:

---

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

"An insurer obligated to pay personal protection insurance benefits for accidental bodily injury to a person occupying an uninsured motor vehicle or to the spouse or relative resident in the household of the owner or registrant of an uninsured motor vehicle may recover such benefits paid and appropriate loss adjustment costs incurred from the owner or registrant of the uninsured motor vehicle or from his estate. Failure of such a person to make payment within 30 days is a ground for suspension or revocation of his motor vehicle registration and operator's license. An uninsured motor vehicle for the purposes of this section is a motor vehicle with respect to which security as required by sections 3101 and 3102 is not in effect at the time of the accident."  
(Emphasis added.)

The 1984 amendment to this section made no substantive changes to the provisions, but rather added additional provisions not at issue here. As set forth above, an "uninsured motor vehicle" is one for which security is required under § 3101 and 3102. MCL 500.3101(1); MSA 24.13101(1) is the section relevant to the circumstances in the case at bar. It states:

"The owner or registrant of a motor vehicle required to be registered in this state shall maintain security for payment of benefits under personal protection insurance, property protection insurance, and residual liability insurance. Security shall be in effect continuously during the period of registration of the motor vehicle."

Further, motor vehicles are required to be registered when "driven or moved upon a highway." MCL 257.216; MSA 9.1916.

The defendant claims that at the time of the accident, the motor vehicle owned by him, although registered, was not required to be registered because it was in storage for safekeeping and therefore not a motor vehicle to be "driven or moved upon a highway" for which registration is mandated by virtue of MCL 257.216; MSA 9.1916. From this premise, defendant concludes that if his motor vehicle was not required to be registered at the time of the accident, it is not an "uninsured motor vehicle" for which security is required pursuant to MCL 500.3177; MSA 24.13177 and MCL 500.3101(1); MSA 24.13101(1).

The trial court held, "...that the Statute required Defendant Price to maintain security on his registered and licensed vehicle and that his failure to do so imposes upon him the liability provided for in Section 3177." We agree with the trial judge and affirm this decision.

A fundamental rule of statutory construction is that it is the Court's duty to ascertain the purpose and intent as expressed in the legislative provision in question. While intent must be inferred from the language used, the words are not to be understood in their abstract or strictly grammatical construction, but are to be considered in light of the general scope of the provision and purpose sought to be accomplished by the statute. Burk v Warren, 105 Mich App 556, 561; 307 NW2d 89 (1981), modified on other grounds 417 Mich 959 (1983) (quoting White v Ann Arbor, 406 Mich 554, 562; 281 NW2d 283 (1979)). The general legislative intent of the no-fault insurance act is to provide sure and speedy recovery of economic losses resulting from motor vehicle accidents without regard to the injured person's fault or negligence. Belcher v Aetna Casualty Co, 409 Mich 231, 240; 293 NW2d 594 (1980).

An additional purpose of MCL 500.3101(1); MSA 24.13101(1) is the encouragement of the maintenance of adequate insurance to cover such losses, a purpose also supported by MCL 500.3102(2); MSA 24.13102(2), which makes it a misdemeanor to knowingly operate or permit to be operated on a public highway an uninsured motor vehicle. MCL 500.3177; MSA 24.13177 carries this purpose one step further by allowing the insurer to seek reimbursement from the uninsured motorist for injuries attributable to the use of his vehicle.

The first sentence of MCL 500.3101(1); MSA 24.13101(1) mandates the maintenance of security or insurance upon any motor vehicle which is "required to be registered in this state." The second sentence states, "Security shall be in effect continuously during the period of registration of the motor vehicle." Motor vehicles are required to be registered when "driven or moved upon a highway" pursuant to MCL 257.216; MSA 9.1916 and there is no provision in the law for the deregistration of a vehicle on the initiative of the owner. Thus, the inescapable conclusion of the plain language of this section, when considered in the context of the general purposes of the no-fault automobile insurance act, is that defendant's vehicle was required to be insured. The defendant's motor vehicle was registered and was required to be registered at the time of the accident and therefore

plaintiff has the right to seek reimbursement from the defendant for amounts it was obligated to pay for personal protection insurance benefits.

A similar argument to defendant's claim that, because his motor vehicle was in storage prior to the accident, it was not required to be registered, was made and rejected by this Court in Elbode v Allstate Ins. Co., 147 Mich App 390, 393 n 1; 383 NW2d 209 (1985). In that case, the plaintiff owner of the motor vehicle argued that since his vehicle was parked outside a restaurant and was not being driven or moved upon a highway during the accident, it did not have to be registered and therefore he was not required to maintain security on it. The Court summarily rejected that argument as illogical.

In the instant case, regardless of the intent of the owner that the motor vehicle be in storage and not driven or moved upon the highway, in fact, the motor vehicle was being driven upon a highway at the time of the accident and thus had to be registered and insured. Even if it were not on the highway, as previously observed, "Security shall be in effect continuously during the period of registration of the motor vehicle."

Unfortunately, we cannot totally resolve this case as a factual question still exists. We cannot determine from the record whether Ellwood Payne the driver of the motor vehicle at the time of the accident, was operating defendant Price's motor vehicle with Price's authority, knowledge or consent. Therefore, we remand this case to the trial court for the purpose of resolving this factual dispute.

Affirmed and remanded for further proceedings consistent with this opinion.

/s/ Gary R. McDonald  
/s/ Donald E. Holbrook, Jr.  
/s/ Terrence R. Thomas