# STATE OF MICHIGAN

# COURT OF APPEALS

GEICO GENERAL INSURANCE COMPANY,

Plaintiff-Appellee,

v

CHELSEA LEWIS,

Defendant-Appellant,

and

HAFIZ KOBIR and KRISTIN WINTER,

Defendants.

FOR PUBLICATION
September 09, 2026
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No. 374761
Macomb Circuit Court
LC No. 2024-003107-CZ

Before: M. J. KELLY, P.J., and O'BRIEN and LIEVENSE, JJ.

PER CURIAM.

Defendant, Chelsea Lewis, appeals as of right the trial court order granting plaintiff, Geico General Insurance Company, summary disposition under MCR 2.116(C)(8) and (C)(10). For the reasons stated in this opinion, we affirm.

## I. BASIC FACTS

In February 2024, Lewis filed a negligence claim against defendants Hafiz Kobir and Kristin Winter. Lewis alleged that she sustained injuries when Kobir ran a red light and crashed his vehicle into hers. It is undisputed that Kobir was a New York resident and that he was operating a vehicle that was registered in New York. Kobir was insured under a New York automobile insurance policy issued by Geico.

In August 2024, Geico filed the instant action seeking a judgment declaring that Kobir's policy limits were $25,000 per person and $50,000 per occurrence. Geico then moved for summary disposition. In response, Lewis asserted that an out-of-state-insurance provision in Kobir's policy meant that the policy must be reformed to reflect the minimum policy limits of

$250,000 per person and $500,000 per occurrence that are set forth in MCL 500.3009. Following oral argument on the motion, the trial court entered a written order granting Geico's motion. This appeal follows.

## II. SUMMARY DISPOSITION

### A. STANDARD OF REVIEW

Lewis argues that the trial court erred by granting Geico summary disposition. A trial court's decision to grant summary disposition is reviewed de novo. *Joseph v Auto Club Ins Ass'n*, 491 Mich 200, 205; 815 NW2d 412 (2012).

Questions of contract interpretation are also reviewed de novo. *Elizabeth Trace Condo Ass'n v American Global Enterprises, Inc*, 340 Mich App 435, 439; 986 NW2d 412 (2022). "This Court's goal in interpreting a contract is always to ascertain and give effect to the intent of the parties as reflected in the plain language of the contract." *Patel v FisherBroyles, LLP*, 344 Mich App 264, 271-272; 1 NW3d 308 (2022). "If a contract's language is unambiguous, we interpret "and enforce the contract as written." *In re Koch Estate*, 322 Mich App 383, 398; 912 NW2d 205 (2017) (quotation marks and citation omitted).

Additionally, "we review de novo issues of statutory interpretation as questions of law." *Joseph*, 491 Mich at 206. The primary goal of statutory interpretation is to discern the Legislature's intent. *Id*. "To do so, we focus on the best indicator of that intent, the language of the statute itself." *Id*. at 206-207. "If the statutory language is unambiguous, we presume that the Legislature intended the meaning that it clearly expressed, and further construction is neither required nor permitted." *Id*. at 207.

### B. ANALYSIS

Lewis argues that Kobir's insurance policy must be reformed to reflect the statutory minimum limits set forth in MCL 500.3009(1). In support, she directs this Court to the out-of-state-insurance provision in Kobir's policy, which states in relevant part:

> When the policy applies to the operation of a motor vehicle outside of ***your*** state, we agree to increase ***your*** coverages to the extent required of out-of-state motorists by local law . . . . [Emphasis in original.]

The policy language clearly provides that Geico will automatically increase Kobir's coverage, but only to the extent that such an increase is mandated for out-of-state-motorists by the law in Michigan. See *In re Koch Estate*, 322 Mich App at 398 (stating that an unambiguous contract must be enforced as it is written).

Lewis asserts that the "local law" that mandates a coverage increase in this case is MCL 500.3009. In relevant part, MCL 500.3009 provides:

> (1) Subject to subsections (5) to (8), an automobile liability or motor vehicle liability policy that insures against loss resulting from liability imposed by law for property damage, bodily injury, or death suffered by any person arising out of the

> ownership, maintenance, or use of a motor vehicle must not be delivered or issued for delivery in this state *with respect to any motor vehicle registered or principally garaged in this state* unless the liability coverage is subject to all of the following limits:
>
> (a) . . . after July 1, 2020, a limit, exclusive of interest and costs, of not less than $250,000.00 because of bodily injury to or death of 1 person in any 1 accident.
>
> (b) . . . after July 1, 2020, and subject to the limit for 1 person in subdivision (a), a limit of not less than $500,000.00 because of bodily injury to or death of 2 or more persons in any 1 accident.
>
> * * *
>
> (5) After July 1, 2020, an applicant for or named insured in the automobile liability or motor vehicle liability policy described in subsection (1) may choose to purchase lower limits than required under subsection (1)(a) and (b), but not lower than $50,000.00 under subsection (1)(a) and $100,000.00 under subsection (1)(b). To exercise an option under this subsection, the person shall complete a form issued by the director and provided as required by section 3107e, that meets the requirements of subsection (7). [Emphasis added.]

In *Progressive Marathon Ins Co v Espinoza-Solis*, 351 Mich App 672, 685-686; 36 NW3d 137 (2024), this Court considered whether the minimum statutory limits were set forth in MCL 500.3009(5) or MCL 500.3009(1). The *Espinoza-Solis* Court ultimately concluded that "the statutorily required minimum residual liability insurance for policies issued after July 1, 2020, is $250,000 per person and $500,000 per accident, pursuant to MCL 500.3009(1)(a) and (b), unless the proper steps are followed to exercise the option of selecting a lower coverage amount under MCL 500.3009(5)." *Id*. at 688.

Lewis argues that *Espinoza-Solis*'s interpretation of MCL 500.3009 means that "*all* drivers" are required to carry a minimum coverage of $250,000 per person and $500,000 per accident.[1] She also cites *Progressive Marathon Ins Co v Pena*, 345 Mich App 270; 5 NW3d 367 (2023), rev'd and remanded ___ Mich ___ (2025) (Docket No. 165577) (stating that policies issued "after July 1, 2020, are subject to limits of not less than $250,000/$500,000); and *State Farm Mut Auto Ins Co v Estate of Fortin*, 350 Mich App 21, 36; 29 NW3d 665 (2024) (stating that, for policies issued after July 1, 2020, the "default" minimum policy limits under MCL 500.3009 are $250,000 per person and $500,000 per accident). All three cases broadly address the default minimum policy limits that must be included in insurance policies. They do not, however, address

[1] MCL 500.3009 does not apply to all drivers. See *Husted v Dobbs*, 459 Mich 500, 508; 591 NW2d 642 (1999) (holding that there is no statutory support for the plaintiff's "contention that an insured is required to maintain residual liability coverage for *any* vehicle that he operates."). Indeed, MCL 500.3009 addresses coverage that must be included in policies. It does not address what coverage is required of the "driver," i.e. operator of the motor vehicles covered by an automobile insurance policy.

the question at issue in this case, i.e., whether an out-of-state insurance policy covering a vehicle that is not registered or principally garaged in this state must either have the default statutory minimums of $250,000 per person and $500,000 per accident or include an effective election of lower liability limits under MCL 500.3009(5). As a result, *Espinoza-Solis*, *Pena*, and *Estate of Fortin* are not dispositive of the question raised in this appeal.

To resolve that question, we turn to the statutory language in MCL 500.3009(1), which provides:

> Subject to subsections (5) to (8), an automobile liability or motor vehicle liability policy that insures against loss resulting from liability imposed by law for property damage, bodily injury, or death suffered by any person arising out of the ownership, maintenance, or use of a motor vehicle must not be delivered or issued for delivery in this state with respect to any motor vehicle registered or principally garaged in this state unless the liability coverage is subject to all of the following limits:

Broadly speaking, this section mandates that certain automobile insurance policies cannot be delivered or issued for delivery in Michigan unless liability coverage subject to the minimum statutory limits identified in MCL 500.3009 are included in the policy. It does not, however, state that it applies to *all* automobile insurance policies. Rather, it is limited to policies that insure "against loss resulting from liability imposed by law for property damage, bodily injury, or death suffered by any person arising out of the ownership, maintenance, or use of a motor vehicle." *Id.* Moreover, it also plainly states that the policy cannot "be delivered or issued for delivery in [Michigan] *with respect to any motor vehicle registered or principally garaged in* [Michigan]." *Id.* (emphasis added). Here, Kobir's insurance policy was not delivered or issued for delivery in Michigan. Moreover, his policy was not issued "with respect to" a motor vehicle that is "registered or principally garaged" in Michigan. Instead, his policy was issued in New York, his vehicle was registered in New York, and his vehicle was principally garaged in New York. As a result, his policy is not required to comply with the coverage limits set forth in MCL 500.3009.

Lewis maintains that the Legislature could not have intended that "Michigan drivers carry $250,000/$500,000 as default liability coverage" while out-of-state drivers are not required to have any liability insurance. But, again, MCL 500.3009 addresses what must be included in certain automobile insurance policies and it expressly limits those policies to ones that are delivered or issued for delivery in Michigan for vehicles that are registered or principally garaged in Michigan. Because the language is unambiguous, we presume that the Legislature intended the meaning that it expressed. See *Joseph*, 491 Mich at 207. See also *Landin v Healthsource Saginaw, Inc*, 305 Mich App 519, 525; 854 NW2d 152 (2014) ("The public policy of Michigan is *not* merely the equivalent of the personal preferences of a majority of this Court; rather, such a policy must ultimately be clearly rooted in the law. There is no other proper means of ascertaining what constitutes our public policy.") (quotation marks and citation omitted).

Moreover, in MCL 500.3102(1), the Legislature expressly addressed what insurance coverage is required for nonresident owners or registrants of vehicles that are not registered in Michigan. MCL 500.3102(1) provides:

> A registrant of a motor vehicle or motorcycle not registered in this state shall not operate or permit the motor vehicle or motorcycle to be operated in this state for an aggregate of more than 30 days in any calendar year unless he or she continuously maintains security for the payment of benefits pursuant to this chapter."

Thus, under MCL 500.3102(1), if Kobir's vehicle was "operated in [Michigan] for an aggregate of more than 30 days in any calendar year," he would be required to maintain no-fault insurance in accordance with Michigan's no-fault act, MCL 500.3101 *et seq*. That would include the coverage limits set forth in MCL 500.3009 because it is expressly incorporated into the no-fault act by MCL 500.3131(2). See *Husted v Dobbs*, 459 Mich 500, 508; 591 NW2d 642 (1999) (recognizing that MCL 500.3009(1) is incorporated into the no-fault act by MCL 500.3131(2)). It is undisputed that Kobir did not operate his vehicle in Michigan for an aggregate of more than 30 days in the relevant calendar year. Therefore, he was not required to maintain insurance coverage as required by Michigan's no-fault act.

In sum, MCL 500.3009 does not impose any mandatory minimum coverage limits on Kobir because his insurance policy was not delivered or issued for delivery in Michigan, nor was his vehicle registered or principally garaged in Michigan. As a result, MCL 500.3009 does not require higher coverage under the out-of-state-insurance provision in Kobir's policy. Likewise, although MCL 500.3102(1) mandates insurance coverage for nonresidents, the specific circumstances under which such coverage is required have not been met in this case. Further, because neither MCL 500.3009(1) nor MCL 500.3102(1) mandate particular coverage for Kobir's out-of-state policy, the terms of his policy control. See *Meemic Ins Co v Fortson*, 506 Mich 287, 298; 954 NW2d 115 (2020) ("[T]he insurance policy itself, which is the contract between the insurer and the insured, controls the interpretation of its own provisions providing benefits not required by statute.") (quotation marks and citation omitted). Here, the insurance policy states that the liability coverage for Kobir's vehicle was limited to $25,000 per person and $50,000 per occurrence. Thus, the coverage limits in the policy must be applied. The trial court, therefore, did not err by granting summary disposition to Geico.

Affirmed. Geico may tax costs as the prevailing party. MCR 7.219(A).

/s/ Michael J. Kelly
/s/ Colleen A. O'Brien
/s/ Andrew J. Lievense