STATE OF MICHIGAN

COURT OF APPEALS

ENTERPRISE LEASING COMPANY OF DETROIT,

Plaintiff-Appellant,

v

STATE FARM INSURANCE COMPANY,

Defendant-Appellee.

UNPUBLISHED
January 26, 1999

No. 203858
Oakland Circuit Court
LC No. 96-529910 CK

Before: Doctoroff, P.J., and Sawyer and Fitzgerald, JJ.

PER CURIAM.

Plaintiff appeals as of right the trial court's order granting summary disposition in favor of defendant. We affirm.

Plaintiff is a self-insured car rental company which owned a vehicle that was involved in an accident while being operated by a permissive user. Plaintiff settled the injured party's claims for $150,000. Thereafter, plaintiff filed this action seeking a declaratory judgment against defendant, which provided a primary policy of automobile insurance coverage for an automobile owned by the driver of the rental vehicle.

Defendant's policy included an "other insurance" provision, which limited its coverage when its insured was driving a non-owned or temporary substitute vehicle. If the insured was involved in an accident and other collectible vehicle insurance was available, defendant's coverage was excess. On that basis, defendant sought summary disposition of plaintiff's claim, stating that plaintiff's self-insurance was other insurance rendering defendant's coverage excess. Moreover, defendant argued that plaintiff's self-insured liability extended to the full amount of the company's assets.

Plaintiff responded that its obligation to provide primary residual liability coverage under the no-fault act was limited to the minimum amount required by the act, or $20,000. Plaintiff argued that, after plaintiff satisfied its $20,000 obligation, defendant was liable for its policy limit of $50,000. The remaining $80,000, plaintiff argued, was uninsured and would be plaintiff's responsibility under the owner's liability statute, MCL 257.401 *et seq.*; MSA 9.2101 *et seq.*

We addressed this issue in another case between these parties, also submitted to this panel, and concluded as follows:

> In Michigan, a certificate of self-insurance issued by the Secretary of State is the functional equivalent of a commercial policy of insurance with respect to the no-fault act, MCL 500.3009; MSA 24.12009, and the financial responsibility act, MCL 257.520(b); MSA 9.2220(b). *Allstate Ins Co v Elassal*, 203 Mich App 548, 554; 512 NW2d 856 (1994). When a company applies for self-insured status, that company represents that it is able and will continue to be able to satisfy judgments obtained against it. MCL 257.351; MSA 9.2231. There is nothing in the financial responsibility statute that limits the self-insured's liability to the minimum coverage requirements of the no-fault or financial responsibility acts. A self-insured's liability extends to the full value of its assets. A company that prefers to avoid unlimited risk has the option of purchasing a commercial insurance policy.
>
> We are convinced that when a car rental company enjoys the advantages of self-insurance, it cannot attempt to limit its risks by asserting the minimum coverage requirements of the no-fault or the financial responsibility act. Consequently, Enterprise is liable for the full amount of the settlement. Moreover, because State Farm's coverage was excess to any other insurance, and because Enterprise's self-insurance was not limited to the statutory minimum, State Farm is not directly liable for any portion of the settlement. [*Enterprise Leasing Co of Detroit v Sako*, 233 Mich App ___, ___; ___ NW2d ___ (No. 204019, rel'd December 29, 1998), slip op at 2.]

Affirmed.

/s/ Martin M. Doctoroff
/s/ David H. Sawyer
/s/ E. Thomas Fitzgerald