

MORATORIUM ON SECRETARY OF STATE BRANCH OFFICE CLOSURES AND CONSOLIDATIONS

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House Bill 5811

Sponsor: Rep. Mary Valentine

Committee: Ethics and Elections

Complete to 2-23-10

A SUMMARY OF HOUSE BILL 5811 AS INTRODUCED 2-16-10

House Bill 5811 would amend the Michigan Vehicle Code to require the secretary of state to cease the closure, opening, or consolidation of branch offices until certain conditions are fulfilled.

The first condition is for the secretary of state to establish by administrative order a written procedure regarding the closure, opening, or consolidation of branch offices, with that procedure to include at least the following factors:

- The *method of calculating the amount of financial savings* to the Department of State of the change, including a specific breakdown of the current operational costs, proposed operational costs, and moving costs, as well as the length of time over which the costs would be considered recoverable.
- *Factors demonstrating convenience* due to the change in the location or consolidation, including the increase or decrease in space, points of service, staffing, hours of operations, and location (that is, how close the office is to the largest population considered likely to physically visit the office).
- *Close proximity to public transportation.*
- *Factors demonstrating any increased efficiency* in the delivery of service.

The bill specifies that this requirement would be considered fulfilled when a report describing the decision process was filed with the secretary of state and published on the secretary of state's website.

The second condition is that not later than 30 days before the department signs any documentation executing a move or a consolidation of an office, the secretary of state send a written notice to the following people:

- The chair of the county board of commissioners.
- The county executive or administrator.
- Any member of the Senate or the House of Representatives representing the district in which the move or consolidation was occurring.
- The auditor general.

MCL 257.205

BACKGROUND INFORMATION:

Currently, Section 205 of the Vehicle Code requires the Secretary of State to maintain an office in the Capitol complex and other places in the state as considered necessary to carry out the powers and duties of the office. The code also requires that at least one office be established in each county. In counties with a population of under 300,000, the code requires one office be established in each city with a population of 10,000 or more, although the city requirement does not apply within a radius of five miles from a county office location, nor to contiguous cities with a combined population of 10,000 or more.

FISCAL IMPACT:

House Bill 5811 would have an indeterminate fiscal impact on state government. The bill would require a freeze on branch office closures, openings, or consolidation until certain conditions were met. Any fiscal impact from the freeze would be dependent upon whether it prevented a closure, consolidation, or opening. The department may realize some costs associated with establishing a written procedure regarding the closure, opening, or consolidation of branch offices. The administrative costs are indeterminate.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.