



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 1034 (as reported without amendment)
Sponsor: Senator Dave Hildenbrand
Committee: Transportation

CONTENT

The bill would amend the Michigan Vehicle Code to increase from one to three the number of times a person's driver license may be reinstated after being suspended for failure to pay a driver responsibility fee.

Under the Code, an individual who commits specific vehicle-related violations must be assessed a driver responsibility fee. The fee is \$150, \$200, or \$1,000, depending on the violation, and must be assessed by the Secretary of State (SOS) for two consecutive years. In addition, an individual who accumulates at least seven points on his or her driving record within a two-year period for other violations must be assessed a \$100 fee. For each point above seven, an additional \$50 fee must be assessed.

The SOS must notify an affected individual of the driver responsibility assessment by regular mail. If payment is not received within 30 days after the notice is mailed, the SOS must send a second notice indicating that if payment is not received within the next 30 days, the person's driving privileges will be suspended. The SOS also may authorize payment by installment for up to 24 months.

If payment is not received or an installment plan is not established within the 30-day period, the SOS must suspend the person's driving privileges until the assessment and any other fees prescribed under the Code are paid. If the Code does not otherwise require the individual's license to be denied, suspended, or revoked, the SOS must reinstate the person's driving privileges if he or she requests an installment plan and makes proper payment. If the person establishes a payment plan but fails to make full or timely payments, the SOS must suspend his or her driving privileges.

The SOS may reinstate a person's license under these provisions only once. Under the bill, the SOS could reinstate the license three times.

MCL 257.732a

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

There could be an unknown positive fiscal impact on the Department of State as a result of drivers' paying up to two additional license reinstatement fees of \$125 each. The majority of these fees goes toward paying for the costs associated with reinstating a driver license. According to the Department of State, there could be additional costs associated with having to reprogram its software to allow for up to three reinstatements versus the current one reinstatement; however, these additional costs would be paid from the additional reinstatement fees collected. The number of people who would reinstate their driver licenses up to three times under the provisions of the bill is unknown; therefore, a dollar figure on the amount of additional revenue the Department could expect is indeterminate.

Date Completed: 5-2-12

Fiscal Analyst: Joe Carrasco