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BILL ANALYSIS



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Senate Bill 501 (Substitute S-3 as reported)
Sponsor: Senator Jim Stamas
Committee: Transportation

CONTENT

The bill would amend Section 302a of the Michigan Vehicle Code to do the following:

- Revise the conditions under which a nonresident who is licensed by another country may operate a vehicle in Michigan without obtaining a Michigan driver license.
- Provide that the operation of a motor vehicle in Michigan by an individual who possessed a valid license to operate a vehicle issued by a country other than the United States would be subject to the Code.
- Require the Secretary of State to establish a unique driver record for a nonresident who violated the Code when operating a vehicle in Michigan under the prescribed conditions; and provide that the individual would be subject to all fees, fines, restrictions, and enforcement as if he or she were licensed under the Code.
- Provide that nothing in Section 302a would prohibit the Secretary of State from entering into a reciprocal agreement and exchanging letters confirming the extension of privileges to operate vehicles with another country.
- Require the Secretary of State to publish on its website a list of the countries with which it had entered into a reciprocal agreement.

Specifically, the bill would allow a nonresident to operate a motor vehicle in Michigan without obtaining a Michigan driver license if the operator had all of the following in his or her immediate possession:

- A valid license to operate a motor vehicle issued by a country other than the United States.
- A valid passport, valid visa, or other valid documentation to verify his or her legal presence in Michigan.
- An international driving permit or a comparable English translation of his or her valid license if no English translation appeared on the front or back of his or her license issued by a country other than the United States.

These requirements would be satisfied if the operator had a valid license to operate a motor vehicle issued by a country other than the United States that was enhanced or otherwise secured to comply with the Western Hemisphere Travel Initiative.

The bill's provisions would replace current language under which a nonresident operator of a motor vehicle who possesses a license to operate a motor vehicle in the country where he or she resides is not required to obtain a Michigan driver license if: 1) the Secretary of State determines that the standards of the other country for licensing operators correspond substantially to those of Michigan and that the other country extends the same privileges to people licensed to operate vehicles by this State; and 2) the Secretary of State and the other country have exchanged letters confirming the reciprocal extension of privileges to operate vehicles.

The bill also would delete a requirement that the Secretary of State publish on its public website a list of the countries for which reciprocal operating privileges have been extended and withdrawn.

The bill would take effect 90 days after enactment.

MCL 257.302a

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The Department of State could realize a negligible cost saving as a result of the bill's deletion of certain provisions. Currently, the Department is required to exchange letters with other countries to confirm reciprocal extensions of privileges to operate motor vehicles. This provision would become voluntary under the bill. The current costs are absorbed within the Department's annual appropriations and any savings that could result from the deletion of the requirement would be expected to be minimal and thus have no effect on the Department's budget.

The bill would have no fiscal impact on local units of government.

Date Completed: 2-2-16

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.