

ISSUANCE OF TITLE AND VEHICLE IDENTIFICATION NUMBER FOR ASSEMBLED VEHICLES

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House Bill 5639 (reported from committee as substitute H-1)

Sponsor: Rep. Brett Roberts

Committee: Transportation and Infrastructure

Complete to 6-12-18

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5639 would add Section 217i to the Michigan Vehicle Code to require the Secretary of State to issue a vehicle identification number (VIN) and certificate of title to an assembled vehicle under certain circumstances.

The bill would define *assembled vehicle* to mean one or more of the following:

- A vehicle that is built from new or used materials or parts by a person not recognized as a manufacturer.
- A vehicle that has been altered or modified to the extent that it no longer reflects its original manufacturer configuration.
- A vehicle that has had its body replaced with a different style of body unit from another vehicle.
- A vehicle that has been assembled from a kit.
- An off-road vehicle, regardless of whether the original manufacturer's certificate of origin specifies that the vehicle is an off-road vehicle.

However, *assembled vehicle* would not include either a military surplus vehicle designated by the federal government as off-road use only or a gray market off-road minitruck.

The bill would require the Secretary of State, upon application and payment of proper fees and submission of all documentation required by the Secretary of State, to issue a VIN in the manner provided in Section 230 of the Code and a certificate of title to an assembled vehicle that satisfies all applicable requirements of the Code and that contains the following equipment:

- Headlights, including at least one headlight on each side and high- and low-beam headlights.
- Front and rear turn signals.
- At least one taillight. (If the vehicle had two taillights, both would have to be in working order.)
- Registration plate light.
- Brake lights.
- Horn.
- Bright light indicator.
- Windshield wipers.

- Windshield washers.
- Brake equipment as required under the Code.
- Safety belts. (This would only apply to 1965 and newer model vehicles.)
- Safety glass windshield. (The windshield could not be made of plexiglass, would have to be of a sufficient size to protect the driver of the vehicle and passengers, and would have to be made of a transparent material and be free of cracks or obstructions.)
- An adjustable outside rearview mirror on the driver's side, except that a truck with a half-ton or more capacity would have to have an outside rearview mirror on each side of the vehicle.
- For a passenger vehicle, bumpers that are between 14 and 22 inches above the ground when the vehicle is not in 4-wheel drive.
- Tires that have 2/32-inch tread, do not have exposed cord or tread separation, and are approved for use by the United States Department of Transportation.
- Exhaust that is in good working order and does not produce excessive noise. (If the original design of the exhaust included a tailpipe and resonator, the exhaust would have to include a tailpipe and resonator.)
- Differential gear.

The bill would take effect 90 days after being enacted.

Proposed MCL 257.217i

FISCAL IMPACT:

The bill would result in limited increased costs to the Department of State. Section 230 of the Michigan Vehicle Code currently requires the Secretary of State to provide a VIN to a vehicle whose manufacturer's VIN has been altered, removed, or defaced. Section 806(2) currently provides for a \$10 fee for special identifying number applications. The department reports that inspection and administrative costs of issuing a VIN far exceed the \$10 application fee. (A proposed change not enacted in House Bill 4630 (H-2) of 2013 would have increased the VIN application fee from \$10 to \$100 to cover the costs of providing the service.) The actual increase in costs to the Department of State from the bill would depend on the number of applicants seeking a VIN for assembled vehicles.

POSITION:

A representative of the Office of the Secretary of State testified in opposition to the bill. (4-24-18)

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