

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bills 4552 (Substitute S-1 as reported)
Sponsor: Representative Ken Daniels
House Committee: Civil Law and the Judiciary
Senate Committee: Judiciary

CONTENT

The bill would amend the Michigan Vehicle Code to increase the driver license clearance fee that is required for the issuance of a license to a person whose license has been suspended for failure to appear or comply in response to certain violations. The bill would allocate a portion of the fees to the proposed Juror Compensation Reimbursement Fund.

The bill would take effect on January 1, 2003, and is tie-barred to House Bills 4090, 4551, 4553, and 4798. (House Bill 4090 would increase juror compensation rates. House Bill 4551 would create the Juror Compensation Reimbursement Fund. House Bill 4553 would provide for the distribution of money in the Fund to district, probate, and circuit court funding units. House Bill 4798 would increase jury trial fees.)

The Michigan Vehicle Code requires the Secretary of State to suspend a person's driver's license for failing to answer certain citations or notices to appear in court for driving violations. In order to remove the suspension, the individual must answer the citation, pay all sums due, and pay a \$25 driver license clearance fee. The court must transfer 60% (\$15) of each driver license clearance fee to the Secretary of State, on a monthly basis.

House Bill 4552 (S-1) would increase the driver license clearance fee to \$45. For each fee received, the court still would have to transmit \$15 each month to the Secretary of State. In addition, on a monthly basis, the court would have to transmit \$15 to the Juror Compensation Reimbursement Fund proposed by House Bill 4551, and \$15 to the county treasurer, the treasurer of a district court funding unit, or the treasurer of the city in which a municipal court is located, if the matter were before the circuit, district, or municipal court, respectively.

MCL 257.321a

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The current \$25 clearance fee is allocated as follow: \$6 to the Department of State, \$9 to the Transportation Economic Development Fund, and \$10 to the local court funding unit. The bill would increase the clearance fee to \$45 and allocate \$5 of the increase to the local court funding unit and \$15 to the new Juror Compensation Reimbursement Fund. Based on the last six years of collection data, the clearance fee increase would generate between \$7,000,000 and \$8,240,000 annually. The allocation of the clearance fee increase between the Juror Compensation Reimbursement Fund and local court funding units would range as follows:

Juror Compensation Reimbursement Fund
\$5,250,000 to \$6,180,000

Local Court Funding Unit
\$1,750,000 to \$2,060,000

Date Completed: 5-28-02

Fiscal Analyst: Bill Bowerman