

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5360 (Substitute S-1 as reported)
Sponsor: Representative Scott Hummel
House Committee: Commerce
Senate Committee: Transportation and Tourism

CONTENT

The bill would amend the Michigan Vehicle Code to eliminate a requirement that the Secretary of State inspect a new or used vehicle dealer once every four years.

The bill specifies that the Secretary of State could inspect a dealer whenever he or she decided it was necessary to determine or enforce compliance with the Code, or other applicable law, and would add that any law enforcement official could conduct the inspections. (Under the Code, dealers are required to maintain sales-related records for five years and make them available for inspection by the Secretary of State or law enforcement officials.)

Further, the Code requires that dealers retain for at least five years each odometer mileage statement that they receive, and each odometer mileage statement furnished by the dealers upon the sale of a vehicle. The bill would extend this to vehicles that were exchanged, in addition to those sold.

MCL 257.251

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill would require fewer inspections of licensed dealers. The Department of State reports that the Department resources in the Bureau of Automotive Regulation that are currently being used for this purpose would be redirected to targeting unlicensed dealers, resulting in no net impact on the State.

Date Completed: 5-21-02

Fiscal Analyst: Jessica Runnels