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S.B. 1321: FLOOR ANALYSIS

Senate Bill 1321 (as reported with amendment)

Sponsor: Senator Jason E. Allen

Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

The bill would amend the Motor Vehicle Sales Finance Act to remove the exception of motorcycles from its definition of "motor vehicle", and to make other definitional changes.

The Act, which regulates motor vehicle financing in Michigan, specifically excludes motorcycles from its definition of "motor vehicle". The bill would delete that exclusion.

The bill also would include a limited liability company in the Act's definition of "person". Currently, the Act defines "person" as an individual, partnership, association, corporation, governmental entity or any other legal entity.

The term "administrator" would be redefined as the Commissioner of the Office of Labor and Economic Growth. The Act currently refers to the Financial Institutions Bureau.

MCL 492.102 Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bill would add motorcycle dealers to the category of regulated motor vehicle financing institutions. Current motor vehicle financing businesses pay a \$30 regulatory fee annually to cover the cost of licensure and regulation. This bill would require that motorcycle dealers be licensed, which would increase the regulatory responsibilities of the Office of Financial and Insurance Services in the Department of Labor and Economic Growth. The \$30 regulatory fee would be used to cover the cost of regulating these businesses; therefore, there would be no impact on the General Fund.

Date Completed: 9-28-04 Fiscal Analyst: Maria Tyszkiewicz