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Senate Bill 970 (Substitute S-2 as reported by the Committee of the Whole)
Sponsor: Senator Tom Casperson
Committee: Transportation

CONTENT

The bill would amend the Michigan Vehicle Code to do the following:

- Allow the Secretary of State (SOS) to issue a commercial learner's permit that entitled a person to drive a vehicle requiring a vehicle group designation or indorsement if the person were 18 or older, submitted a proper application, held an unrestricted operator's or chauffeur's license, and passed the knowledge test for the designation or indorsement.
- Allow a person issued a commercial learner's permit to operate a vehicle requiring a group designation or indorsement if the person had the permit and a valid operator's or chauffeur's license in his or her possession, were accompanied by a supervising certified instructor or licensed driver, and were not operating a vehicle with hazardous materials or a bus designed to carry more than 16 passengers, except under certain situations.
- Require the SOS to place certain restriction codes on a commercial learner's permit or commercial driver license to prohibit the operation of a commercial vehicle under certain circumstances.
- Authorize the SOS to verify the identity, residency, and citizenship of an applicant for a learner's permit, or operator's or chauffeur's license, to operate a commercial motor vehicle.
- Require an FBI and State criminal history check for vehicle group designation or indorsement examiners.
- Modify the description of certain commercial vehicles for which a vehicle group designation is required.
- Prohibit a person from fraudulently obtaining a license or permit, or failing to respond to a notice for retesting.
- Eliminate a provision that prohibits SOS from issuing a letter combination on a personalized plate that might carry a connotation offensive to good taste and decency.

The bill also would allow an insurance company that paid a claim for total loss to the owner or lienholder of a vehicle but did not receive a surrendered certificate of title to apply to the SOS for a salvage or scrap certificate of title. If the insurance company met certain requirements, the SOS would have to issue the appropriate certificate of title free of all liens to the insurance company, and notify the owner or lienholder of record of that action.

In addition, the bill would allow an insurance company to direct a salvage pool that possessed a vehicle to release it to an owner or lienholder by providing a release that contained the claim number relating to the vehicle, the name and address of the owner, a description of the vehicle, and a signature of an authorized representative of the insurance company. The salvage pool would have to send notice to the owner or lienholder of record that the vehicle would be available for pick-up, and could sell the vehicle for parts to a

licensed salvage agent if the owner or lienholder failed to claim it within 30 days of the date of the notice.

MCL 257.7a et al.

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have no fiscal impact on the Department of State.

The bill would add new prohibitions against fraudulent license and permit testing, failing to reschedule a license or permit retest appointment after notification, and fraudulently obtaining a commercial driver license. The bill also would add penalties for the additional prohibitions that would involve a restriction on reapplication. There could be an increase in the cost to State government required to track and verify violations associated with the additional prohibitions and added resources required to verify that currently excluded individuals were not reapplying while the exclusionary period on reapplication was in effect for that license or permit.

The bill would have no fiscal impact on local government.

Date Completed: 9-10-14

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.