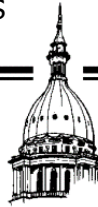




Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4052 (Substitute H-1 as reported without amendment)
House Bill 4053 (as reported without amendment)
Sponsor: Representative Kenneth Kurtz
House Committee: Commerce
Senate Committee: Economic Development

CONTENT

House Bill 4052 (H-1) would amend the definition of "motor vehicle" in the Motor Vehicle Sales Finance Act to exclude a nonmotorized recreational vehicle (RV) that meets all of the following:

- It does not have its own motive power.
- It is sold by a person engaged solely in the business of selling, offering for sale, hiring, or leasing RVs that do not have their own motive power.
- It is sold pursuant to a retail installment contract or retail charge agreement that meets the requirements of the Retail Installment Sales Act.

The Motor Vehicle Sales Finance Act regulates the retail sale of motor vehicles under installment sales contracts. Subject to certain exception, the Act defines "motor vehicle" as a self-propelled device by which a person or property may be transported upon a public highway. Under the bill, the term would include a recreational vehicle but would exclude a nonmotorized RV that meets the criteria listed above.

House Bill 4053 would amend the Retail Installment Sales Act to define "motor vehicle" as that term is defined in the Motor Vehicle Sales Finance Act. (The Retail Installment Sales Act regulates retail installment sales contracts and transactions involving goods and services. The Act specifies that "goods" do not include a motor vehicle.)

The bills are tie-barred.

MCL 492.102 (H.B. 4052)
445.852 (H.B. 4053)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bills could introduce some costs to the Department of Insurance and Financial Services as expanding the definition of "motor vehicle" to include nonmotorized recreational vehicles sold with financing or installment payment agreements that are regulated under the Motor Vehicle Sales Finance Act would allow for consumer complaints under that Act.

Date Completed: 3-21-13 Fiscal Analyst: Josh Sefton