

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5414

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending section 732a (MCL 257.732a), as amended by 2012 PA 203.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 732a. (1) An individual, whether licensed or not, who
2 accumulates 7 or more points on his or her driving record under
3 sections 320a and 629c within a 2-year period for any violation not
4 listed under subsection (2) shall be assessed a \$100.00 driver
5 responsibility fee. For each additional point accumulated above 7
6 points not listed under subsection (2), an additional fee of \$50.00
7 shall be assessed. The secretary of state shall collect the fees
8 described in this subsection once each year that the point total on
9 an individual driving record is 7 points or more. **THIS SUBSECTION**
10 **IS SUBJECT TO SUBSECTION (11).**

1 (2) An individual, whether licensed or not, who violates any
2 of the following sections or another law or local ordinance that
3 substantially corresponds to those sections shall be assessed a
4 driver responsibility fee as follows:

5 (a) ~~Upon~~ **SUBJECT TO SUBSECTION (11), UPON** posting an abstract
6 indicating that an individual has been found guilty for a violation
7 of law listed or described in this subdivision, the secretary of
8 state shall assess a \$1,000.00 driver responsibility fee each year
9 for 2 consecutive years:

10 (i) Manslaughter, negligent homicide, or a felony resulting
11 from the operation of a motor vehicle, ORV, or snowmobile.

12 (ii) Section 601b(2) or (3), 601c(1) or (2), 601d, 626(3) or
13 (4), or 653a(3) or (4).

14 (iii) Section 625(1), (4), or (5), section 625m, or section
15 81134 of the natural resources and environmental protection act,
16 1994 PA 451, MCL 324.81134, or a law or ordinance substantially
17 corresponding to section 625(1), (4), or (5), section 625m, or
18 section 81134 of the natural resources and environmental protection
19 act, 1994 PA 451, MCL 324.81134.

20 (iv) Failing to stop and disclose identity at the scene of an
21 accident when required by law.

22 (v) Fleeing or eluding an officer.

23 (b) ~~Upon~~ **SUBJECT TO SUBSECTION (11), UPON** posting an abstract
24 indicating that an individual has been found guilty for a violation
25 of law listed in this subdivision, the secretary of state shall
26 assess a \$500.00 driver responsibility fee each year for 2
27 consecutive years:

1 (i) Section 625(3), (6), (7), or (8).

2 (ii) Section 626 or, beginning October 31, 2010, section
3 626(2).

4 (iii) Section 904.

5 (iv) Section 3101, 3102(1), or 3103 of the insurance code of
6 1956, 1956 PA 218, MCL 500.3101, 500.3102, and 500.3103.

7 (c) Through September 30, 2012, upon posting an abstract
8 indicating that an individual has been found guilty for a violation
9 of section 301, the secretary of state shall assess a \$150.00
10 driver responsibility fee each year for 2 consecutive years.
11 However, a driver responsibility fee shall not be assessed under
12 this subdivision for a violation committed on or after October 1,
13 2012.

14 (d) Through September 30, 2012, upon posting an abstract
15 indicating that an individual has been found guilty or determined
16 responsible for a violation listed in section 328, the secretary of
17 state shall assess a \$200.00 driver responsibility fee each year
18 for 2 consecutive years. However, a driver responsibility fee shall
19 not be assessed under this subdivision for a violation committed on
20 or after October 1, 2012.

21 (3) The secretary of state shall send a notice of the driver
22 responsibility assessment, as prescribed under subsection (1) or
23 (2), to the individual by regular mail to the address on the
24 records of the secretary of state. If payment is not received
25 within 30 days after the notice is mailed, the secretary of state
26 shall send a second notice that indicates that if payment is not
27 received within the next 30 days, the driver's driving privileges

1 will be suspended.

2 (4) The secretary of state may authorize payment by
3 installment for a period not to exceed 24 months **OR, ALTERNATIVELY,**
4 **THE INDIVIDUAL MAY ENGAGE IN COMMUNITY SERVICE UNDER SECTION 732B.**

5 (5) Except as otherwise provided under this subsection **AND**
6 **SECTION 732B**, if payment is not received or an installment plan is
7 not established after the time limit required by the second notice
8 prescribed under subsection (3) expires, the secretary of state
9 shall suspend the driving privileges until the assessment and any
10 other fees prescribed under this act are paid. However, if the
11 individual's license to operate a motor vehicle is not otherwise
12 required under this act to be denied, suspended, or revoked, the
13 secretary of state shall reinstate the individual's operator's
14 driving privileges if the individual requests an installment plan
15 under subsection (4) and makes proper payment under that plan. Fees
16 required to be paid for the reinstatement of an individual's
17 operator's driving privileges as described under this subsection
18 shall, at the individual's request, be included in the amount to be
19 paid under the installment plan. If the individual establishes a
20 payment plan as described in this subsection and subsection (4) but
21 **THE INDIVIDUAL** fails to make full or timely payments under that
22 plan, **OR ENTERS INTO COMMUNITY SERVICE UNDER SECTION 732B BUT FAILS**
23 **TO SUCCESSFULLY COMPLETE THAT SERVICE WITHIN THE 45-DAY PERIOD**
24 **ALLOWED, OR WITHDRAWS FROM COMMUNITY SERVICE WITH OR WITHOUT GOOD**
25 **CAUSE SHOWN**, the secretary of state shall suspend the individual's
26 driving privileges. The secretary of state shall only reinstate a
27 license under this subsection once. Not later than April 1, 2013,

1 the secretary of state shall only reinstate a license under this
2 subsection 3 times.

3 (6) A fee shall not be assessed under this section for 7
4 points or more on a driving record on October 1, 2003. Points
5 assigned after October 1, 2003 shall be assessed as prescribed
6 under subsections (1) and (2), **BUT SUBJECT TO SUBSECTION (11)**.

7 (7) A driver responsibility fee shall be assessed under this
8 section in the same manner for a conviction or determination of
9 responsibility for a violation or an attempted violation of a law
10 of this state, of a local ordinance substantially corresponding to
11 a law of this state, or of a law of another state substantially
12 corresponding to a law of this state.

13 (8) The fire protection fund is created within the state
14 treasury. The state treasurer may receive money or other assets
15 from any source for deposit into the fund. The state treasurer
16 shall direct the investment of the fund. The state treasurer shall
17 credit to the fund interest and earnings from fund investments.
18 Money in the fund at the close of the fiscal year shall remain in
19 the fund and shall not lapse to the general fund. The department of
20 licensing and regulatory affairs shall expend money from the fund,
21 upon appropriation, only for fire protection grants to cities,
22 villages, and townships with state-owned facilities for fire
23 services, as provided in 1977 PA 289, MCL 141.951 to 141.956.

24 (9) The secretary of state shall transmit the fees collected
25 under this section to the state treasurer. The state treasurer
26 shall credit fee money received under this section in each fiscal
27 year as follows:

1 (a) The first \$8,500,000.00 shall be credited to the fire
2 protection fund CREATED IN SUBSECTION (8).

3 (B) FOR FISCAL YEAR 2015, AFTER THE AMOUNT SPECIFIED IN
4 SUBDIVISION (A) IS CREDITED TO THE FIRE PROTECTION FUND CREATED
5 UNDER SUBSECTION (8), THE NEXT \$1,550,000.00 SHALL BE CREDITED AS
6 FOLLOWS:

7 (i) \$550,000.00 TO THE DEPARTMENT OF TREASURY, DISTRIBUTED AS
8 FOLLOWS:

9 (A) \$500,000.00 FOR ADMINISTERING THE REQUIREMENTS OF THE
10 DEPARTMENT OF TREASURY UNDER SECTION 732B.

11 (B) \$50,000.00 FOR PROVIDING A 1-TIME-ONLY WRITTEN NOTICE TO
12 INDIVIDUALS UNDER SECTION 732B(2) OF THE OPTION OF ENTERING INTO
13 COMMUNITY SERVICE AS AN ALTERNATIVE TO PAYING A DRIVER
14 RESPONSIBILITY FEE.

15 (ii) \$1,000,000.00 TO THE DEPARTMENT OF STATE FOR NECESSARY
16 EXPENSES INCURRED BY THE DEPARTMENT OF STATE IN IMPLEMENTING AND
17 ADMINISTERING THE REQUIREMENTS OF SECTION 625K OF THE MICHIGAN
18 VEHICLE CODE, 1949 PA 300, MCL 257.625K. FUNDS APPROPRIATED UNDER
19 THIS SUBPARAGRAPH SHALL BE BASED UPON AN ESTABLISHED COST
20 ALLOCATION METHODOLOGY THAT REFLECTS THE ACTUAL COSTS INCURRED OR
21 TO BE INCURRED BY THE SECRETARY OF STATE DURING THE FISCAL YEAR.
22 HOWEVER, FUNDS APPROPRIATED UNDER THIS SUBPARAGRAPH SHALL NOT
23 EXCEED \$1,000,000.00 DURING THAT FISCAL YEAR.

24 (C) FOR FISCAL YEAR 2016, AFTER THE AMOUNT SPECIFIED IN
25 SUBDIVISION (A) IS CREDITED TO THE FIRE PROTECTION FUND CREATED
26 UNDER SUBSECTION (8), THE NEXT \$1,500,000.00 SHALL BE CREDITED AS
27 FOLLOWS:

1 (i) \$500,000.00 TO THE DEPARTMENT OF TREASURY FOR ADMINISTERING
2 THE REQUIREMENTS OF THE DEPARTMENT OF TREASURY UNDER SECTION 732B.

3 (ii) \$1,000,000.00 TO THE DEPARTMENT OF STATE FOR NECESSARY
4 EXPENSES INCURRED BY THE DEPARTMENT OF STATE IN IMPLEMENTING AND
5 ADMINISTERING THE REQUIREMENTS OF SECTION 625K OF THE MICHIGAN
6 VEHICLE CODE, 1949 PA 300, MCL 257.625K. FUNDS APPROPRIATED UNDER
7 THIS SUBPARAGRAPH SHALL BE BASED UPON AN ESTABLISHED COST
8 ALLOCATION METHODOLOGY THAT REFLECTS THE ACTUAL COSTS INCURRED OR
9 TO BE INCURRED BY THE SECRETARY OF STATE DURING THE FISCAL YEAR.
10 HOWEVER, FUNDS APPROPRIATED UNDER THIS SUBPARAGRAPH SHALL NOT
11 EXCEED \$1,000,000.00 DURING THAT FISCAL YEAR.

12 (D) FOR FISCAL YEAR 2017 AND FOR EACH FISCAL YEAR THEREAFTER,
13 AFTER THE AMOUNT SPECIFIED IN SUBDIVISION (A) IS CREDITED TO THE
14 FIRE PROTECTION FUND CREATED UNDER SUBSECTION (8), THE NEXT
15 \$1,000,000.00 SHALL BE CREDITED TO THE DEPARTMENT OF STATE FOR
16 NECESSARY EXPENSES INCURRED BY THE DEPARTMENT OF STATE IN
17 IMPLEMENTING AND ADMINISTERING THE REQUIREMENTS OF SECTION 625K OF
18 THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.625K. FUNDS
19 APPROPRIATED UNDER THIS SUBDIVISION SHALL BE BASED UPON AN
20 ESTABLISHED COST ALLOCATION METHODOLOGY THAT REFLECTS THE ACTUAL
21 COSTS INCURRED OR TO BE INCURRED BY THE SECRETARY OF STATE DURING
22 THE FISCAL YEAR. HOWEVER, FUNDS APPROPRIATED UNDER THIS SUBDIVISION
23 SHALL NOT EXCEED \$1,000,000.00 DURING ANY FISCAL YEAR.

24 (E) ~~(b)~~—Any amount collected after crediting the amount
25 AMOUNTS under ~~subdivision~~ SUBDIVISIONS (a) THROUGH (D) shall be
26 credited to the general fund.

27 (10) The collection of assessments under this section is

subject to section 304.

(11) A DRIVER RESPONSIBILITY FEE SHALL BE ASSESSED AND COLLECTED UNDER THIS SECTION AS FOLLOWS:

(A) FOR AN INDIVIDUAL WHO ACCUMULATES 7 OR MORE POINTS ON HIS OR HER DRIVING RECORD BEGINNING ON THE FOLLOWING DATES, A FEE ASSESSED UNDER SUBSECTION (1) SHALL BE REDUCED AS FOLLOWS:

(i) BEGINNING OCTOBER 1, 2015, THE ASSESSMENT SHALL BE 75% OF THE FEE CALCULATED UNDER SUBSECTION (1).

(ii) BEGINNING OCTOBER 1, 2016, THE ASSESSMENT SHALL BE 50% OF THE FEE CALCULATED UNDER SUBSECTION (1).

(iii) BEGINNING OCTOBER 1, 2018, THE ASSESSMENT SHALL BE 25% OF THE FEE CALCULATED UNDER SUBSECTION (1).

(iv) BEGINNING OCTOBER 1, 2019, NO FEE SHALL BE ASSESSED UNDER SUBSECTION (1).

(B) A FEE ASSESSED UNDER SUBSECTION (2) (A) OR (B) SHALL BE REDUCED AS FOLLOWS:

(i) FOR A VIOLATION THAT OCCURS ON OR AFTER OCTOBER 1, 2015, 100% OF THE FEE SHALL BE ASSESSED FOR THE FIRST YEAR AND 50% FOR THE SECOND YEAR.

(ii) FOR A VIOLATION THAT OCCURS ON OR AFTER OCTOBER 1, 2016, 100% OF THE FEE SHALL BE ASSESSED FOR THE FIRST YEAR AND NO FEE SHALL BE ASSESSED FOR THE SECOND YEAR.

(iii) FOR A VIOLATION THAT OCCURS ON OR AFTER OCTOBER 1, 2018, 50% OF THE FEE SHALL BE ASSESSED FOR THE FIRST YEAR AND NO FEE SHALL BE ASSESSED FOR THE SECOND YEAR.

(iv) FOR A VIOLATION THAT OCCURS ON OR AFTER OCTOBER 1, 2019, NO FEE SHALL BE ASSESSED UNDER SUBSECTION (2) (A) OR (B).

1 (12) IT IS THE INTENT OF THE LEGISLATURE THAT BEGINNING WITH
2 THE FISCAL YEAR ENDING SEPTEMBER 30, 2018, AND EACH FISCAL YEAR
3 AFTER THAT, \$8,500,000.00 SHALL BE APPROPRIATED TO THE FIRE
4 PROTECTION FUND CREATED UNDER SUBSECTION (8).

5 Enacting section 1. This amendatory act does not take effect
6 unless Senate Bill No. 633 of the 97th Legislature is enacted into
7 law.