



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

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**BILL ANALYSIS**

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

Senate Bill 501 (as introduced 9-17-15)  
Sponsor: Senator Jim Stamas  
Committee: Transportation

Date Completed: 12-2-15

### **CONTENT**

**The bill would amend the Michigan Vehicle Code to allow a nonresident to operate a motor vehicle in Michigan without obtaining a Michigan driver license if the nonresident had in his or her immediate possession a valid license to operate a motor vehicle issued by a country other than the United States and a valid visitor visa or passport.**

Currently, the Code states that a nonresident operator of a motor vehicle who possesses a license to operate a motor vehicle in the country where he or she resides is not required to obtain a license to operate a passenger vehicle in Michigan, if all of the following conditions are met:

- The nonresident is not receiving compensation for the operation of the vehicle.
- The Secretary of State determines that the standards of the other country for licensing operators correspond substantially to those of Michigan and that the other country extends the same privileges to people licensed to operate vehicles by this State.
- The Secretary of State and the other country have exchanged letters confirming the reciprocal extension of privileges to operate vehicles.

The Code also requires the Secretary of State to publish on its public website a list of the countries for which reciprocal operating privileges have been extended and withdrawn. If any changes are made, a revised list must be mailed to the courts, prosecuting attorneys, and law enforcement agencies throughout Michigan.

The bill would delete all of these provisions. Instead, the bill provides that a nonresident operator of a motor vehicle who held and had in his or her immediate possession a valid license to operate a motor vehicle issued by a country other than the United States and a valid visitor visa or passport would not be required to obtain a license to operate a passenger vehicle in Michigan for the period of time that he or she was in the State, if he or she did not receive compensation for that operation.

The bill would take effect 90 days after enactment.

MCL 257.302a

Legislative Analyst: Drew Krogulecki

### **FISCAL IMPACT**

The Department of State could realize a negligible cost saving as a result of the bill's deletion of current provisions. Currently, the Department is required to exchange letters with other countries to confirm reciprocal extensions of privileges to operate motor vehicles and to

publish on its public website a list of countries with which the State has extended or withdrawn reciprocal agreements for driving privileges. The bill would eliminate these requirements. These costs are currently absorbed within the Department's annual appropriations and any savings that could result from the deletion of these requirements would be expected to be minimal and thus have no effect on the Department's budget.

The bill would have no fiscal impact on local units of government.

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.