



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

BILL



ANALYSIS

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

Senate Bill 1050 (Substitute S-1 as reported)
Sponsor: Senator Rick Jones
Committee: Regulatory Reform

CONTENT

The bill would amend Public Act 119 of 1986, which governs the purchase or receipt of used motor vehicle parts, to do the following:

- Include a motor vehicle tire wheel or rim in the definition of "used motor vehicle part" if it were received by the used parts dealer directly from the owner in conjunction with the purchase of a replacement tire or tire wheel or rim.
- Include a motor vehicle tire, tire wheel or rim, or continuous tire tread in the definition of "used motor vehicle part" if it were received by the used parts dealer directly from the owner but not in conjunction with the purchase of a replacement tire or tire wheel or rim.
- Exclude from the definition of "dealer" an end-user, scrap tire hauler, or scrap tire processor, and a disposal area or solid waste hauler licensed under the Natural Resources and Environmental Protection Act (NREPA).
- Make an exception to the Act's record-keeping requirements for a used parts dealer's purchase or receipt of used parts from an end-user or processor of scrap tires.

"Tire wheel or rim" would include a tire wheel or rim on which a tire was mounted.

MCL 257.1351 & 257.1352

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would have an indeterminate, though likely minimal, fiscal impact on State and local government. The bill would effectively eliminate a record-keeping requirement for certain entities that are regulated under NREPA. It also would exempt dealers from the requirement when receiving used vehicle parts from certain entities. Many of the transactions covered by Public Act 119 are subject to record-keeping requirements under NREPA, so it is unknown whether or by how much these exceptions would reduce future prosecutions for violations. A reduction in misdemeanor and felony prosecutions and convictions could decrease resource demands on local court systems, community supervision, and jails and correctional facilities. For any decrease in prison intakes, in the short term, the marginal savings to State government would be approximately \$3,764 per prisoner per year. In the long term, if the decreased intake of prisoners reduced the total prisoner population enough to allow the Department of Corrections to close a housing unit or an entire facility, the marginal savings to State government would be approximately \$34,550 per prisoner per year. Any associated decrease in fine revenue would reduce revenue to public libraries.

Date Completed: 10-20-16

Fiscal Analyst: Ryan Bergan