



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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House Bill 5577 (Substitute H-1 as reported without amendment)

Sponsor: Representative Eric Leutheuser

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

## **CONTENT**

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

- Allow the Secretary of State (SOS) to create a mobility dealer endorsement; and establish regulations relating to mobility dealers.
- Allow a used or secondhand vehicle dealer to obtain a mobility dealer endorsement.
- Permit the SOS, by written agreement with a person that held a dealer license after he or she violated certain provisions, to place that license on probation and include conditions of probation in the agreement; and issue an order requiring the person to cease and desist from the violation or to take other actions.
- Allow the SOS to issue a temporary cease and desist order if the public interest would be irreparably harmed by a delay in issuing an order.
- Require a surety to make indemnification or reimbursement for a monetary loss if the SOS issued a final order that the licensee had engaged in fraud, cheating, or misrepresentation.
- Require a surety to indemnify or reimburse the State for a sales or use tax deficiency after the SOS issued a final order.
- Revise and add provisions regarding dealer license issuance, renewal, and expiration, including specific renewal dates and related late fees.
- Revise the service fee for temporary plates or markers.
- Extend the maximum length of time a special registration is valid from 14 days to 30.

"Mobility vehicle" would mean a motor vehicle that is specially designed and equipped to transport an individual with a disability, in compliance with specific Federal regulations, and that 1) is designed and built or modified to allow vehicle ingress and egress for an individual who is in a wheelchair or scooter; and 2) is equipped with at least one of the following: an electronic or mechanical wheelchair, scooter, or platform lift; an electronic or mechanical wheelchair ramp; or a system to secure a wheelchair or scooter that allows for transportation of an individual while he or she is occupying the wheelchair or scooter.

MCL 257.226 et al.

Legislative Analyst: Drew Krogulecki

## **FISCAL IMPACT**

The bill would have a negligible fiscal impact on the resources of the Department of State. Any potential costs related to additional administrative hearings would be absorbable within current annual appropriations. The proposed change in the license renewal process also would be revenue neutral, according to the Department. Finally, any costs associated with the creation of mobility dealer endorsements and the proposed changes in the fee structure for temporary registrations would be revenue neutral, as well. The bill would have no fiscal impact on local government.

Date Completed: 9-27-16

Fiscal Analyst: Joe Carrasco

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Bill Analysis @ [www.senate.michigan.gov/sfa](http://www.senate.michigan.gov/sfa)

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