

HOUSE BILL No. 4098

January 26, 2017, Introduced by Reps. McCready, Leutheuser, Kelly, Graves and Lucido and referred to the Committee on Insurance.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 226, 226a, 226b, and 227 (MCL 257.226,
257.226a, 257.226b, and 257.227), section 226 as amended by 2004 PA
163, section 226a as amended by 2006 PA 516, section 226b as
amended by 2003 PA 152, and section 227 as amended by 2011 PA 92.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 226. (1) A vehicle registration issued by the secretary
2 of state expires on the owner's birthday, unless another expiration
3 date is provided for under this act or unless the registration is
4 for the following vehicles, in which case registration expires on
5 the last day of February:

6 (a) A commercial vehicle except for a commercial vehicle

1 issued a registration under the international registration plan or
2 a pickup truck or van owned by an individual.

3 (b) Except for a trailer or semitrailer issued a registration
4 under the international registration plan, a trailer or semitrailer
5 owned by a business, corporation, or person other than an
6 individual; or a pole trailer.

7 ~~(2) Until February 1, 2005, the expiration date for a~~
8 ~~registration issued for a motorcycle is March 31. Beginning~~
9 ~~February 1, 2005, the~~ **THE** expiration date for a registration issued
10 for a motorcycle is the motorcycle owner's birthday.

11 (3) The expiration date for a registration bearing the letters
12 "SEN" or "REP" is February 1.

13 (4) In the case of a vehicle owned by a business, corporation,
14 or an owner other than an individual, the secretary of state may
15 assign or reassign the expiration date of the registration.

16 (5) The secretary of state shall do all of the following:

17 (a) After the October 1 immediately preceding the year
18 designated on the registration, issue a registration upon
19 application and payment of the proper fee for a commercial vehicle,
20 other than a pickup or van owned by an individual; or a trailer
21 owned by a business, corporation, or person other than an
22 individual.

23 (b) Beginning 60 days before the expiration date assigned on
24 an international registration plan registration plate, issue a
25 registration under section 801g upon application and payment of the
26 proper apportioned fee for a commercial vehicle engaged in
27 interstate commerce.

1 (c) Beginning 45 days before the owner's birthday and 120 days
2 before the expiration date assigned by the secretary of state,
3 issue a registration for a vehicle other than those designated in
4 subsection (1)(a) or (b). However, if an owner whose registration
5 period begins 45 days before his or her birthday will be out of the
6 state during the 45 days immediately preceding expiration of a
7 registration or for other good cause shown cannot apply for a
8 renewal registration within the 45-day period, application for a
9 renewal registration may be made not more than 6 months before
10 expiration.

11 (6) Except as otherwise provided in this subsection **AND**
12 **SECTION 226B(2)**, the secretary of state, upon application and
13 payment of the proper fee, shall issue a registration for a vehicle
14 or a motorcycle to a resident that shall expire on the owner's
15 birthday. If the owner's next birthday is at least 6 months but not
16 more than 12 months in the future, the owner shall receive a
17 registration valid until the owner's next birthday. If the owner's
18 next birthday is less than 6 months in the future, the owner shall
19 receive a registration valid until the owner's birthday following
20 the owner's next birthday. The tax required under this act for a
21 registration described in this subsection shall be either of the
22 following:

23 (a) For an original registration, the tax shall bear the same
24 relationship to the tax required under section 801 for a 12-month
25 registration as the length of the registration bears to 12 months.

26 (b) For a renewal of a registration, either of the following:

27 (i) For a registration that is for at least 6 months but not

1 more than 12 months, the same amount as for 12 months.

2 (ii) For a renewal of a registration that is for more than 12
3 months, 2 times the amount for 12 months.

4 Partial months shall be considered as whole months in the
5 calculation of the required tax and in the determination of the
6 length of time between the application for a registration and the
7 owner's next birthday. The tax required for that registration shall
8 be rounded off to whole dollars as provided in section 801.

9 (7) A certificate of title shall remain valid until canceled
10 by the secretary of state for cause or upon a transfer of an
11 interest shown on the certificate of title.

12 (8) The secretary of state, upon request, shall issue special
13 registration for commercial vehicles, valid for 6 months after the
14 date of issue, if the full registration fee exceeds \$50.00, on the
15 payment of 1/2 the full registration fee and a service charge as
16 enumerated in section 802(1).

17 (9) The secretary of state may issue a special registration
18 for each of the following:

19 (a) A new vehicle purchased or leased outside of this state
20 and delivered in this state to the purchaser or lessee by the
21 manufacturer of that vehicle for removal to a place outside of this
22 state, if a certification is made that the vehicle will be
23 primarily used, stored, and registered outside of this state and
24 will not be returned to this state by the purchaser or lessee for
25 use or storage.

26 (b) A vehicle purchased or leased in this state and delivered
27 to the purchaser or lessee by a dealer or by the owner of the

1 vehicle for removal to a place outside of this state, if a
2 certification is made that the vehicle will be primarily used,
3 stored, and registered outside of this state and will not be
4 returned to this state by the purchaser or lessee for use or
5 storage.

6 (10) A special registration issued under subsection (9) is
7 valid for not more than 14 days after the date of issuance, and a
8 fee shall be collected for each special registration as provided in
9 section 802(3). The special registration may be in the form
10 determined by the secretary of state. If a dealer makes a retail
11 sale or lease of a vehicle to a purchaser or lessee who is
12 qualified and eligible to obtain a special registration, the dealer
13 shall apply for the special registration for the purchaser or
14 lessee. If a person other than a dealer sells or leases a vehicle
15 to a purchaser or lessee who is qualified and eligible to obtain a
16 special registration, the purchaser or lessee shall appear in
17 person, or by a person exercising the purchaser's or lessee's power
18 of attorney, at an office of the secretary of state and furnish a
19 certification that the person is the bona fide purchaser or lessee
20 or that the person has granted the power of attorney, together with
21 other forms required for the issuance of the special registration
22 and provide the secretary of state with proof that the vehicle is
23 covered by a Michigan no-fault insurance policy issued pursuant to
24 section 3101 of the insurance code of 1956, 1956 PA 218, MCL
25 500.3101, or proof that the vehicle is covered by a policy of
26 insurance issued by an insurer pursuant to section 3163 of the
27 insurance code of 1956, 1956 PA 218, MCL 500.3163. The

1 certification required in this subsection shall contain all of the
2 following:

3 (a) The address of the purchaser or lessee.

4 (b) A statement that the vehicle is purchased or leased for
5 registration outside of this state.

6 (c) A statement that the vehicle shall be primarily used,
7 stored, and registered outside of this state.

8 (d) The name of the jurisdiction in which the vehicle is to be
9 registered.

10 (e) Other information requested by the secretary of state.

11 ~~—— (11) Upon request, the secretary of state may issue a~~
12 ~~registration valid for 6 months after the date of issuance for use~~
13 ~~on a trailer or semitrailer weighing 1,500 pounds or less and that~~
14 ~~is used for recreational purposes, upon payment of 1/2 the full~~
15 ~~registration fee imposed under section 801(1) (l). This subsection~~
16 ~~does not apply after October 1, 2003.~~

17 **(11)** ~~(12)~~ In the case of a commercial vehicle, trailer, or
18 semitrailer issued a registration under the international
19 registration plan, the secretary of state in mutual agreement with
20 the owner may assign or reassign the expiration date of the
21 registration. However, the expiration date agreed to shall be
22 either March 31, June 30, September 30, or December 31. Renewals
23 expiring on or after September 30, 1993 shall be for a minimum of
24 at least 12 months if there is a change in the established
25 expiration date.

26 **(12)** ~~(13)~~ The expiration date for a multiyear registration
27 issued for a leased vehicle shall be the date the lease expires but

1 shall not be for a period longer than 24 months.

2 Sec. 226a. (1) Temporary registration plates or markers may be
3 issued to licensed dealers in vehicles and to persons engaged in
4 the sale of vessels required to be numbered by part 801 of the
5 natural resources and environmental protection act, 1994 PA 451,
6 MCL 324.80101 to 324.80199, upon application accompanied by the
7 proper fee, for use by purchasers or lessees of vehicles, for **A**
8 **PERIOD** not to exceed 15 days pending receipt of regular
9 registration plates from the dealer or person. Only 1 temporary
10 plate or marker may be issued to a purchaser or lessee of a
11 vehicle. If a dealer or person requires a purchaser or lessee of a
12 vehicle or purchaser or lessee of a vessel to pay for a temporary
13 plate or marker, the dealer or person shall not charge the
14 purchaser or lessee more than the dealer or person was charged by
15 the secretary of state for the individual plate or marker. The
16 secretary of state shall determine the composition and design of
17 the temporary registration plates or markers.

18 **(2) THE SECRETARY OF STATE SHALL ISSUE A TEMPORARY**
19 **REGISTRATION PLATE TO AN INDIVIDUAL WHO OBTAINS A TEMPORARY**
20 **REGISTRATION UNDER SECTION 226B(2), UPON APPLICATION ACCOMPANIED BY**
21 **THE PROPER FEE, THAT IS VALID FOR A PERIOD OF NO MORE THAN 30 DAYS.**

22 **(3) ~~(2)~~**A temporary registration plate or marker shall show in
23 ink the date of issue, a description of the vehicle for which
24 issued, and any other information required by the secretary of
25 state. A dealer or person **WHO ISSUES A TEMPORARY REGISTRATION PLATE**
26 **OR MARKER UNDER SUBSECTION (1)** shall immediately notify the
27 secretary of state of each temporary registration plate or marker

1 issued by the dealer or person, on a form prescribed by the
2 secretary of state. Upon the attachment of the regular plate to a
3 vehicle for which a temporary registration plate or marker has been
4 issued, the temporary plate shall be destroyed.

5 (4) ~~(3)~~—All temporary registration plates or markers shall be
6 serially numbered and upon issuance the number shall be noted on
7 the statement of vehicle sale form or in the case of a boat trailer
8 on a form prescribed by the secretary of state.

9 (5) ~~(4)~~—A dealer or person, upon demand, shall immediately
10 surrender any temporary registration plates or markers in his or
11 her possession if the secretary of state finds, after
12 investigation, that the dealer or person has violated this section,
13 and the dealer or person shall immediately forfeit any right to the
14 temporary registration plates or markers.

15 (6) ~~(5)~~—The secretary of state may issue a registration plate
16 upon application and payment of the proper fee to an individual,
17 partnership, corporation, or association who in the ordinary course
18 of business has occasion to legally repossess a vehicle in which a
19 security interest is held. A registration plate issued ~~pursuant to~~
20 **UNDER** this subsection shall be used to move and dispose of a
21 vehicle.

22 (7) ~~(6)~~—The secretary of state may issue a registration plate
23 upon application and payment of the proper fee to an individual,
24 partnership, corporation, or association who in the ordinary course
25 of business has occasion to legally pick up or deliver a vehicle
26 not required to be titled under this act, to legally pick up or
27 deliver a commercial motor vehicle being driven to a facility to

1 undergo aftermarket modification, or to repair or service a
 2 vehicle, or to persons defined as dealers under part 801 of the
 3 natural resources and environmental protection act, 1994 PA 451,
 4 MCL 324.80101 to 324.80199, for the purpose of delivering a vessel
 5 or trailer to a customer or to and from a boat show or exposition.
 6 A registration plate issued under this subsection shall be used to
 7 move the vehicle.

8 **(8)** ~~(7)~~—The secretary of state may issue a registration plate
 9 upon application and payment of the proper fee to an individual,
 10 partnership, corporation, or association who in the ordinary course
 11 of business operates an auto auction, and who in the ordinary
 12 course of business has occasion to legally pick up a vehicle which
 13 will be offered for sale at the auction, or deliver a vehicle which
 14 has been offered for sale at the auction. The registration plate
 15 shall be used only to move vehicles as provided in this subsection.
 16 Auto auctions that make application for a registration plate under
 17 this subsection shall furnish a surety bond as required by the
 18 secretary of state.

19 Sec. 226b. (1) ~~A—THE SECRETARY OF STATE MAY ISSUE A~~ temporary
 20 registration ~~may be issued~~ to an owner of a vehicle. The
 21 registration shall be valid for either 30 days or 60 days from date
 22 of issue, at the discretion of the owner, and shall be in a form as
 23 determined by the secretary of state. ~~A—THE SECRETARY OF STATE~~
 24 **SHALL COLLECT A** fee ~~shall be collected~~ for each temporary
 25 registration as provided in section 802.

26 **(2) THE SECRETARY OF STATE SHALL ISSUE A TEMPORARY**
 27 **REGISTRATION VALID FOR 30 DAYS FROM DATE OF ISSUE TO AN OWNER OF A**

1 **VEHICLE IF THE VEHICLE INSURANCE REQUIRED UNDER THIS ACT FOR THAT**
2 **VEHICLE HAS A TERM OF 30 DAYS.**

3 (3) ~~(2)~~—A vehicle which ~~which~~ **THAT** has a temporary registration
4 **ISSUED UNDER SUBSECTION (1)** shall not be used for the
5 transportation of passengers for hire or for the transportation of
6 goods, wares, or merchandise or draw other vehicles transporting
7 goods, wares, or merchandise.

8 Sec. 227. (1) Application for renewal of a vehicle
9 registration shall be made by the owner upon proper application and
10 by payment of the registration fee for the vehicle, as provided by
11 law.

12 (2) Every application shall be accompanied by the certificate
13 of title pertaining to the vehicle, showing ownership in the person
14 applying for registration at the time of the application. The
15 secretary of state may waive the presentation of the certificate of
16 title.

17 (3) Every application for renewal of a motor vehicle
18 registration shall be accompanied by proof of vehicle insurance
19 **THAT HAS A TERM OF AT LEAST 30 DAYS** in a form determined by the
20 secretary of state.

21 (4) Notwithstanding subsection (3), the secretary of state
22 shall accept as proof of vehicle insurance a transmission of the
23 applicant's vehicle policy information for an insured vehicle for
24 which vehicle registration is sought. The secretary of state may
25 determine in what format and on what timeline the secretary of
26 state will receive vehicle policy information, which shall not be
27 required more frequently than every 14 days. In determining the

1 format under this subsection, the secretary of state shall consult
2 with insurers. The transmission to the secretary of state of the
3 vehicle policy information is proof of insurance to the secretary
4 of state for motor vehicle registration purposes only and is not
5 evidence that a policy of insurance actually exists between an
6 insurer and an individual. Vehicle policy information submitted by
7 an insurer and received by the secretary of state under this
8 subsection is confidential, is not subject to the freedom of
9 information act, 1976 PA 442, MCL 15.231 to 15.246, and shall not
10 be disclosed to any person except the department of community
11 health for purposes of 2006 PA 593, MCL 550.281 to 550.289, or
12 under an order by a court of competent jurisdiction in connection
13 with a claim or fraud investigation or prosecution.

14 (5) ~~(6)~~—As used in this section, "policy information" means
15 the information an automobile insurer is required to supply to the
16 secretary of state under section 3101a of the insurance code of
17 1956, 1956 PA 218, MCL 500.3101a.

18 Enacting section 1. This amendatory act takes effect 90 days
19 after the date it is enacted into law.