

Act No. 45
Public Acts of 2018
Approved by the Governor
March 1, 2018
Filed with the Secretary of State
March 1, 2018
EFFECTIVE DATE: March 1, 2018

**STATE OF MICHIGAN
99TH LEGISLATURE
REGULAR SESSION OF 2018**

Introduced by Reps. Hauck, Chatfield, Marino, Love, Phelps, Bellino, Santana and Yaroach

ENROLLED HOUSE BILL No. 5043

AN ACT to amend 1949 PA 300, entitled “An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of manufacturers, the manufacturers of certain devices, the manufacturers of automated technology, upfitters, owners, and operators of vehicles and service of process on residents and nonresidents; to regulate the introduction and use of certain evidence; to regulate and certify the manufacturers of certain devices; to provide for approval and certification of installers and servicers of certain devices; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to provide appropriations for certain purposes; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date,” by amending section 732a (MCL 257.732a), as amended by 2016 PA 32.

The People of the State of Michigan enact:

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

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

(a) Subject to subsection (10), upon posting an abstract indicating that an individual has been found guilty for a violation of law listed or described in this subdivision, the secretary of state shall assess a \$1,000.00 driver responsibility fee each year for 2 consecutive years:

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

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

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

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

(v) Fleeing or eluding an officer.

(b) Subject to subsection (10), upon posting an abstract indicating that an individual has been found guilty for a violation of law listed in this subdivision, the secretary of state shall assess a \$500.00 driver responsibility fee each year for 2 consecutive years:

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

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

(iii) Section 904.

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

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

(4) The secretary of state may authorize payment by installment for a period not to exceed 24 months or, alternatively, the individual may engage in community service under section 732b. All of the following apply to an individual who, on or before February 1, 2018, has entered into an installment payment plan as provided in this subsection:

(a) Any outstanding driver responsibility fee assessed under this section or outstanding installment payment shall not be collected.

(b) An individual is not liable for any outstanding driver responsibility fee assessed under this section.

(c) An individual whose driving privileges were suspended under this section is eligible to reinstate his or her operator's license if he or she is otherwise in compliance with this act.

(5) Except as otherwise provided under this subsection and section 732b, if payment is not received or an installment plan is not established after the time limit required by the second notice prescribed under subsection (3) expires, the secretary of state shall suspend the driving privileges until the assessment and any other fees prescribed under this act are paid. However, if the individual's license to operate a motor vehicle is not otherwise required under this act to be denied, suspended, or revoked, the secretary of state shall reinstate the individual's operator's driving privileges if the individual requests an installment plan under subsection (4) and makes proper payment under that plan. Fees required to be paid for the reinstatement of an individual's operator's driving privileges as described under this subsection shall, at the individual's request, be included in the amount to be paid under the installment plan. If the individual establishes a payment plan as described in this subsection and subsection (4) but the individual fails to make full or timely payments under that plan, or enters into community service under section 732b but fails to successfully complete that service within the 45-day period allowed, or withdraws from community service with or without good cause shown, the secretary of state shall suspend the individual's driving privileges. The secretary of state shall only reinstate a license under this subsection once.

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

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

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

(a) The first \$8,500,000.00 shall be credited to the fire protection fund created in subsection (7).

(b) For fiscal year 2015, after the amount specified in subdivision (a) is credited to the fire protection fund created under subsection (7), the next \$1,550,000.00 shall be credited as follows:

(i) \$550,000.00 to the department of treasury, distributed as follows:

(A) \$500,000.00 for administering the requirements of the department of treasury under section 732b.

(B) \$50,000.00 for providing a 1-time-only written notice to individuals under section 732b(2) of the option of entering into community service as an alternative to paying a driver responsibility fee.

(ii) \$1,000,000.00 to the department of state for necessary expenses incurred by the department of state in implementing and administering the requirements of sections 625k and 625q. Funds appropriated under this subparagraph shall be based upon an established cost allocation methodology that reflects the actual costs incurred or to be incurred by the secretary of state during the fiscal year. However, funds appropriated under this subparagraph shall not exceed \$1,000,000.00 during that fiscal year.

(c) For fiscal year 2016, after the amount specified in subdivision (a) is credited to the fire protection fund created under subsection (7), the next \$1,500,000.00 shall be credited as follows:

(i) \$500,000.00 to the department of treasury for administering the requirements of the department of treasury under section 732b.

(ii) \$1,000,000.00 to the department of state for necessary expenses incurred by the department of state in implementing and administering the requirements of sections 625k and 625q. Funds appropriated under this subparagraph shall be based upon an established cost allocation methodology that reflects the actual costs incurred or to be incurred by the secretary of state during the fiscal year. However, funds appropriated under this subparagraph shall not exceed \$1,000,000.00 during that fiscal year.

(d) For fiscal year 2017 and for each fiscal year thereafter, after the amount specified in subdivision (a) is credited to the fire protection fund created under subsection (7), the next \$1,000,000.00 shall be credited to the department of state for necessary expenses incurred by the department of state in implementing and administering the requirements of sections 625k and 625q. Funds appropriated under this subdivision shall be based upon an established cost allocation methodology that reflects the actual costs incurred or to be incurred by the secretary of state during the fiscal year. However, funds appropriated under this subdivision shall not exceed \$1,000,000.00 during any fiscal year.

(e) Any amount collected after crediting the amounts under subdivisions (a) through (d) shall be credited to the general fund.

(9) The collection of assessments under this section is subject to section 304.

(10) Subject to subsection (4), 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).

(11) It is the intent of the legislature that beginning with the fiscal year ending September 30, 2018, and each fiscal year after that, \$8,500,000.00 shall be appropriated to the fire protection fund created under subsection (7).

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor