Legislative Analysis



EXTEND DRIVER LICENSES, STATE ID CARDS, AND CERTAIN VEHICLE DOCUMENTS TO MARCH 31, 2021

House Bills 5729 (H-1), 5731 (H-1), and 5735 (H-1) as reported

Sponsor: Rep. Brandt Iden

Committee: Government Operations

Complete to 12-2-20

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Analysis available at http://www.legislature.mi.gov

SUMMARY:

House Bills 5729, 5731, and 5735 would respectively amend 1972 PA 222 (the state personal identification card act), the Michigan Vehicle Code, and the Enhanced Driver License and Enhanced Official State Personal Identification Card Act to extend until March 31, 2021, the validity of driver licenses, state ID cards, instruction permits, and certain registrations and certifications issued under those acts that expire on or after March 1, 2020. The bills would prohibit charging a late fee for a renewal occurring before March 31, 2021.

2020 PAs 241, 242, and 243 amended these acts to extend the validity of these documents to December 11, 2020. The bills would amend the same provisions to extend this date to March 31, 2021.

The bills are tie-barred together, which means that none of them could take effect unless all of them were enacted.

HB 5729: MCL 28.292

HB 5731: MCL 257.216 et seq. HB 5735: MCL 28.304 and 28.306

FISCAL IMPACT:

The bills would have a marginal decrease in revenue on the state and on local units of government. The bills would allow the secretary of state to postpone the collection of fee revenue from vehicle and trailer registrations, renewals of certain driver licenses, and from renewals of official state personal identification cards and enhanced driver's license and enhanced official state personal identification cards until March 31, 2021.

The bills could result in a marginal decrease in revenue to the extent that they would waive the higher renewal fee amount for enhanced driver's licenses renewed after their expiration date – otherwise called the late renewal fee – depending on the number of renewals that would have been made after the expiration date between December 11, 2020, and March 31, 2021. Enhanced driver licenses renewed before their expiration date require a fee of \$38, while those renewed after the expiration require the same \$45 amount as an initial enhanced driver license fee.

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¹ http://legislature.mi.gov/doc.aspx?2020-HB-5757

Revenue collected from late fees on vehicle registrations are deposited into the state's general fund. Renewal fee revenue from driver licenses and state personal identification cards is deposited into the state's general and to be appropriated by the legislature to the secretary of state for administrative costs of issuing identification cards and licenses. Renewal fee revenue for enhanced driver license and enhanced personal identification cards is allocated to the state's general fund, counties and municipalities, the Traffic Law Enforcement and Safety Fund, the Transportation Economic Development Fund, and the Enhanced Driver License and Enhanced Official State Personal Identification Card Fund as described under section 6(3) of the Enhanced Driver License and Enhanced Official State Personal Identification Card Act.

POSITIONS:

The Department of State indicated a neutral position on the bills. (12-1-20)

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[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.