

MAXIMUM PRICE FOR VEHICLE CODE RECORDS

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Senate Bill 452 as enacted
Public Act 223 of 2022

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

Sponsor: Sen. Roger Victory
House Committee: Transportation
Senate Committee: Transportation and Infrastructure
Complete to 12-19-22

SUMMARY:

Senate Bill 452 amends the Michigan Vehicle Code to cap the price for the sale in bulk of certain secretary of state (SOS) records. The code allows the SOS to contract for the sale in bulk of lists of driver and motor vehicle records and other records maintained under the code. Previously, the SOS had to fix a market-based price for those sales. The bill removes the “market-based” requirement. Instead, under the bill, the price per 1,000 records is based on the date the records are obtained and cannot exceed \$25 after January 1, 2023.

MCL 257.232

FISCAL IMPACT:

The bill would result in a decrease in ongoing future revenue. Data on bulk record sales, transactions, and revenue was not available from the Department of State. Based on information from the department, the bill’s changes to bulk records sales prices would result in an estimated annual revenue decrease of approximately \$281,000 in Fiscal Year 2022-23. Revenue from bulk record sales is deposited into the Transportation Administration Collection Fund (TACF), the department’s primary funding source, and supports the secretary of state’s administrative costs for providing motor vehicle and driver services.

Section 232 of the Michigan Vehicle Code previously authorized the secretary of state to set a “market-based price” for the sale of records in bulk. Prior to April 2021, the department set a two-tiered pricing structure for bulk records under which the majority of customers paid \$64 per 1,000 records and the remaining customers paid \$16. Beginning in April 2021, the two-tiered price structure was eliminated and the fee for all customers was raised to \$70. The price was again modified beginning on October 1, 2021, by the FY 2021-22 annual budget act, 2021 PA 87. Boilerplate section 703a of Article 5 of the act lowered the one-tier price per 1,000 records by requiring that the price not exceed \$35, which was estimated to maintain the amount of revenue collected under the previous two-tiered prices. The fiscal impact changes provided above are based on the change to \$25 from the \$35 fee currently set in budget boilerplate.

Legislative Analyst: E. Best
Fiscal Analyst: Michael Cnossen

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