



Senate Fiscal Agency  
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## BILL ANALYSIS



Telephone: (517) 373-5383  
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Senate Bills 137 through 139 (as reported without amendment)

Sponsor: Senator Erika Geiss (S.B. 137)

Senator Jeremy Moss (S.B. 138)

Senator Veronica Klinefelt (S.B. 139)

Committee: Transportation and Infrastructure

**CONTENT**

Senate Bill 137 would amend the Michigan Vehicle Code to specify that buyers and purchasers of vehicles would not have to provide certain physical copies of certificates or records of title for a title transferred electronically.

Senate Bill 138 would amend the Code to allow the Secretary of State (SOS) to issue a temporary registration permit to an applicant who had a current vehicle registration that would expire before that individual received the individual's license plate.

Senate Bill 139 would amend Part 803 (Watercraft Transfer and Certificate of Title) of the Natural Resources and Environmental Protection Act to allow the Department of State (DOS) to operate an electronic system to process watercraft and off-road vehicle (ORV) title transfers between private parties.

MCL 257.233 et al. (S.B. 137); 257.227 (S.B. 138); 324.80304 & 324.81105 (S.B. 139)

**BRIEF RATIONALE**

Reportedly, recent legislation has challenged the SOS's efficiency. Firstly, Public Act 240 of 2023 allowed the SOS to establish an electronic system to facilitate electronic transfers of vehicle ownership between private parties and to issue a vehicle title electronically; however, vehicle owners issued electronic title transfers have been unable to fulfill certain legal requirements. For example, the Code requires a purchaser to endorse the back of a title, and digital titles do not have backs. Additionally, the use of electronic titles has proven popular, but the SOS may only issue electronic titles for motor vehicles. Secondly, in 2023 the Legislature approved several new types of vehicle license plates; however, testimony before the Senate Committee on Transportation and Infrastructure indicates that SOS branch offices may not have the stock to fulfill specialized plate requests. Accordingly, the bills would address some of the SOS's difficulties in implementing this recent legislation.

Legislative Analyst: Abby Schneider

**FISCAL IMPACT**

Senate Bill 137 and Senate Bill 138 would have no fiscal impact on State or local government. Senate Bill 139 likely would not result in any additional costs for the DOS. The DOS has indicated that it already has established an online title transfer program and thus the addition of processing watercraft and ORVs should not bear any additional costs and should be absorbable within current annual appropriations.

Date Completed: 5-7-25

Fiscal Analyst: Joe Carrasco, Jr.