

HOUSE BILL No. 5079

October 10, 2017, Introduced by Rep. Rendon and referred to the Committee on Michigan Competitiveness.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 732a and 732b (MCL 257.732a and 257.732b),
section 732a as amended by 2016 PA 32 and section 732b as added by
2014 PA 283.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 732a. (1) ~~An~~ **SUBJECT TO SUBSECTION (10), AN** individual,
2 whether licensed or not, who accumulates 7 or more points on his or
3 her driving record under sections 320a and 629c within a 2-year
4 period for any violation not listed under subsection (2) shall be
5 assessed a \$100.00 driver responsibility fee. For each additional
6 point accumulated above 7 points not listed under subsection (2),

1 an additional fee of \$50.00 shall be assessed. The secretary of
2 state shall collect the fees described in this subsection once each
3 year that the point total on an individual driving record is 7
4 points or more. ~~This subsection is subject to subsection (11).~~

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

9 (a) Subject to subsection ~~(11)~~, **(10)**, upon posting an abstract
10 indicating that an individual has been found guilty for a violation
11 of law listed or described in this subdivision, the secretary of
12 state shall assess a \$1,000.00 driver responsibility fee each year
13 for 2 consecutive years:

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

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

18 (iii) Section 625(1), (4), or (5), section 625m, or section
19 81134 of the natural resources and environmental protection act,
20 1994 PA 451, MCL 324.81134, or a law or ordinance substantially
21 corresponding to section 625(1), (4), or (5), section 625m, or
22 section 81134 of the natural resources and environmental protection
23 act, 1994 PA 451, MCL 324.81134.

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

26 (v) Fleeing or eluding an officer.

27 (b) Subject to subsection ~~(11)~~, **(10)**, upon posting an abstract

1 indicating that an individual has been found guilty for a violation
2 of law listed in this subdivision, the secretary of state shall
3 assess a \$500.00 driver responsibility fee each year for 2
4 consecutive years:

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

6 (ii) ~~Section 626 or, beginning October 31, 2010, section~~
7 ~~626(2).~~

8 (iii) Section 904.

9 (iv) Section 3101, 3102(1), or 3103 of the insurance code of
10 1956, 1956 PA 218, MCL 500.3101, 500.3102, and 500.3103.

11 ~~—— (c) Through September 30, 2012, upon posting an abstract~~
12 ~~indicating that an individual has been found guilty for a violation~~
13 ~~of section 301, the secretary of state shall assess a \$150.00~~
14 ~~driver responsibility fee each year for 2 consecutive years.~~
15 ~~However, a driver responsibility fee shall not be assessed under~~
16 ~~this subdivision for a violation committed on or after October 1,~~
17 ~~2012.~~

18 ~~—— (d) Through September 30, 2012, upon posting an abstract~~
19 ~~indicating that an individual has been found guilty or determined~~
20 ~~responsible for a violation listed in section 328, the secretary of~~
21 ~~state shall assess a \$200.00 driver responsibility fee each year~~
22 ~~for 2 consecutive years. However, a driver responsibility fee shall~~
23 ~~not be assessed under this subdivision for a violation committed on~~
24 ~~or after October 1, 2012.~~

25 (3) The secretary of state shall send a notice of the driver
26 responsibility assessment, as prescribed under subsection (1) or
27 (2), to the individual by regular mail to the address on the

1 records of the secretary of state. If payment is not received
2 within 30 days after the notice is mailed, the secretary of state
3 shall send a second notice that indicates that if payment is not
4 received within the next 30 days, the driver's driving privileges
5 will be suspended.

6 (4) The secretary of state may authorize payment by
7 installment for a period not to exceed 24 months or, alternatively,
8 the individual may engage in community service **OR WORKFORCE**
9 **TRAINING** under section 732b.

10 (5) Except as otherwise provided under this subsection and
11 section 732b, if payment is not received or an installment plan is
12 not established after the time limit required by the second notice
13 prescribed under subsection (3) expires, the secretary of state
14 shall suspend the driving privileges until the assessment and any
15 other fees prescribed under this act are paid. However, if the
16 individual's license to operate a motor vehicle is not otherwise
17 required under this act to be denied, suspended, or revoked, the
18 secretary of state shall reinstate the individual's operator's
19 driving privileges if the individual requests an installment plan
20 under subsection (4) and makes proper payment under that plan. Fees
21 required to be paid for the reinstatement of an individual's
22 operator's driving privileges as described under this subsection
23 shall, at the individual's request, be included in the amount to be
24 paid under the installment plan. If the individual establishes a
25 payment plan as described in this subsection and subsection (4) but
26 the individual fails to make full or timely payments under that
27 plan, or enters into community service **OR WORKFORCE TRAINING** under

1 section 732b but fails to successfully complete that service within
2 the 45-day period allowed, or withdraws from community service **OR**
3 **WORKFORCE TRAINING** with or without good cause shown, the secretary
4 of state shall suspend the individual's driving privileges. The
5 secretary of state shall only reinstate a license under this
6 subsection once. Not later than April 1, 2013, the secretary of
7 state shall only reinstate a license under this subsection 3 times.

8 ~~—— (6) A fee shall not be assessed under this section for 7~~
9 ~~points or more on a driving record on October 1, 2003. Points~~
10 ~~assigned after October 1, 2003 shall be assessed as prescribed~~
11 ~~under subsections (1) and (2), but subject to subsection (11).~~

12 (6) ~~(7)~~—A driver responsibility fee shall be assessed under
13 this section in the same manner for a conviction or determination
14 of responsibility for a violation or an attempted violation of a
15 law of this state, of a local ordinance substantially corresponding
16 to a law of this state, or of a law of another state substantially
17 corresponding to a law of this state.

18 (7) ~~(8)~~—The fire protection fund is created within the state
19 treasury. The state treasurer may receive money or other assets
20 from any source for deposit into the fund. The state treasurer
21 shall direct the investment of the fund. The state treasurer shall
22 credit to the fund interest and earnings from fund investments.
23 Money in the fund at the close of the fiscal year shall remain in
24 the fund and shall not lapse to the general fund. The department of
25 licensing and regulatory affairs shall expend money from the fund,
26 upon appropriation, only for fire protection grants to cities,
27 villages, and townships with state-owned facilities for fire

1 services, as provided in 1977 PA 289, MCL 141.951 to 141.956.

2 (8) ~~(9)~~—The secretary of state shall transmit the fees
3 collected under this section to the state treasurer. The state
4 treasurer shall credit fee money received under this section in
5 each fiscal year as follows:

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

8 ~~—— (b) For fiscal year 2015, after the amount specified in~~
9 ~~subdivision (a) is credited to the fire protection fund created~~
10 ~~under subsection (8), the next \$1,550,000.00 shall be credited as~~
11 ~~follows:~~

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

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

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

20 ~~—— (ii) \$1,000,000.00 to the department of state for necessary~~
21 ~~expenses incurred by the department of state in implementing and~~
22 ~~administering the requirements of sections 625k and 625q of the~~
23 ~~Michigan vehicle code, 1949 PA 300, MCL 257.625k and 257.625q.~~
24 ~~Funds appropriated under this subparagraph shall be based upon an~~
25 ~~established cost allocation methodology that reflects the actual~~
26 ~~costs incurred or to be incurred by the secretary of state during~~
27 ~~the fiscal year. However, funds appropriated under this~~

1 ~~subparagraph shall not exceed \$1,000,000.00 during that fiscal~~
2 ~~year.~~

3 ~~—— (c) For fiscal year 2016, after the amount specified in~~
4 ~~subdivision (a) is credited to the fire protection fund created~~
5 ~~under subsection (8), the next \$1,500,000.00 shall be credited as~~
6 ~~follows:~~

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

10 ~~—— (ii) \$1,000,000.00 to the department of state for necessary~~
11 ~~expenses incurred by the department of state in implementing and~~
12 ~~administering the requirements of sections 625k and 625q of the~~
13 ~~Michigan vehicle code, 1949 PA 300, MCL 257.625k and 257.625q.~~
14 ~~Funds appropriated under this subparagraph shall be based upon an~~
15 ~~established cost allocation methodology that reflects the actual~~
16 ~~costs incurred or to be incurred by the secretary of state during~~
17 ~~the fiscal year. However, funds appropriated under this~~
18 ~~subparagraph shall not exceed \$1,000,000.00 during that fiscal~~
19 ~~year.~~

20 **(B)** ~~(d)~~ For fiscal year 2017 and for each fiscal year
21 thereafter, after the amount specified in subdivision (a) is
22 credited to the fire protection fund created under subsection ~~(8)~~,
23 **(7)**, the next \$1,000,000.00 shall be credited to the department of
24 state for necessary expenses incurred by the department of state in
25 implementing and administering the requirements of sections 625k
26 and 625q. ~~of the Michigan vehicle code, 1949 PA 300, MCL 257.625k~~
27 ~~and 257.625q.~~ Funds appropriated under this subdivision shall be

1 based upon an established cost allocation methodology that reflects
2 the actual costs incurred or to be incurred by the secretary of
3 state during the fiscal year. However, funds appropriated under
4 this subdivision shall not exceed \$1,000,000.00 during any fiscal
5 year.

6 **(C)** ~~(e)~~ Any amount collected after crediting the amounts under
7 subdivisions (a) through ~~(d)~~ **AND (B)** shall be credited to the
8 general fund.

9 **(9)** ~~(10)~~ The collection of assessments under this section is
10 subject to section 304.

11 **(10)** ~~(11)~~ A driver responsibility fee shall be assessed and
12 collected under this section as follows:

13 (a) For an individual who accumulates 7 or more points on his
14 or her driving record beginning on the following dates, a fee
15 assessed under subsection (1) shall be reduced as follows:

16 (i) Beginning October 1, 2015, the assessment shall be 75% of
17 the fee calculated under subsection (1).

18 (ii) Beginning October 1, 2016, the assessment shall be 50% of
19 the fee calculated under subsection (1).

20 (iii) Beginning October 1, 2018, the assessment shall be 25%
21 of the fee calculated under subsection (1).

22 (iv) Beginning October 1, 2019, no fee shall be assessed under
23 subsection (1).

24 (b) A fee assessed under subsection (2) (a) or (b) shall be
25 reduced as follows:

26 (i) For a violation that occurs on or after October 1, 2015,
27 100% of the fee shall be assessed for the first year and 50% for

1 the second year.

2 (ii) For a violation that occurs on or after October 1, 2016,
3 100% of the fee shall be assessed for the first year and no fee
4 shall be assessed for the second year.

5 (iii) For a violation that occurs on or after October 1, 2018,
6 50% of the fee shall be assessed for the first year and no fee
7 shall be assessed for the second year.

8 (iv) ~~For~~ **EXCEPT AS PROVIDED IN SUBDIVISION (C)**, FOR a
9 violation that occurs on or after October 1, 2019, no fee shall be
10 assessed under subsection (2)(a) or (b).

11 **(C) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT**
12 **ADDED THIS SECTION, NO FEE SHALL BE ASSESSED UNDER SUBSECTION**
13 **(2) (B) (iii) OR (iv) .**

14 **(11)** ~~(12)~~—It is the intent of the legislature that beginning
15 with the fiscal year ending September 30, 2018, and each fiscal
16 year after that, \$8,500,000.00 shall be appropriated to the fire
17 protection fund created under subsection ~~(8)~~ **(7)** .

18 Sec. 732b. (1) If an individual was assessed a driver
19 responsibility fee under section ~~732a(2)(e)~~ **732A(2) (B) (iii) OR**
20 **(iv) , (C) ,** or (d), the individual may engage in 10 hours of
21 community service **OR 10 HOURS OF PARTICIPATION IN A WORKFORCE**
22 **TRAINING PAYMENT PROGRAM CREATED UNDER SECTION 732C** as an
23 alternative to paying that fee or any unpaid portion of that fee.
24 Community service **OR WORKFORCE TRAINING** under this subsection shall
25 be completed within 45 days after the application to engage in
26 community service **OR WORKFORCE TRAINING** is filed with the
27 department of treasury under subsection (3).

(2) An individual may engage in community service **OR WORKFORCE TRAINING** under subsection (1) by obtaining a community service **OR WORKFORCE TRAINING** form from the secretary of state or the department of treasury. The department of treasury shall mail to each individual who is required to pay a driver responsibility fee under section ~~732a(2)(e)~~ **732A(2)(B)(iii) OR (iv), (C)**, or (d) a 1-time-only written notice of the option of completing community service **OR WORKFORCE TRAINING** as an alternative to paying that driver responsibility fee. The notice shall include a statement that community service **OR WORKFORCE TRAINING** forms for that purpose can be obtained from the department of state or from the department of treasury. The notice shall be sent to the last known address of the individual as shown in the records of the department of treasury. The secretary of state shall make community service **AND WORKFORCE TRAINING** forms available to the public at all branch offices and on the department's website for purposes of this section and shall provide community service **AND WORKFORCE TRAINING** forms to the department of treasury for purposes of this section.

(3) If an individual chooses to engage in community service **OR WORKFORCE TRAINING** under this section, the individual shall complete the community service **OR WORKFORCE TRAINING** form obtained under subsection (2) and return the form to the department of treasury in the manner prescribed by the department of treasury. ~~by December 31, 2015.~~ Upon receiving a properly completed community service **OR WORKFORCE TRAINING** form under this subsection, the department of treasury shall inform the department of state that the individual intends to complete community service **OR WORKFORCE**

1 **TRAINING** under this section as an alternative to paying a driver
2 responsibility fee or any portion of a driver responsibility fee.
3 If the secretary of state is notified by the department of treasury
4 that the individual has elected to complete community service **OR**
5 **WORKFORCE TRAINING** under this section as an alternative to paying
6 the fee, that fee shall be held in abeyance for a period of 45
7 days. If the individual's license is suspended for failing to pay
8 the driver responsibility fee or portion of the driver
9 responsibility fee, the department of state shall, upon payment of
10 the reinstatement fee, reinstate the individual's driver license.

11 (4) An individual who engages in community service **OR**
12 **WORKFORCE TRAINING** under this section shall be allowed only 1
13 opportunity to complete the community service **OR WORKFORCE TRAINING**
14 alternative for each driver responsibility fee owed. However, the
15 department of treasury may allow an individual to withdraw from
16 that community service **OR WORKFORCE TRAINING** before the expiration
17 of the 45-day period for completing that community service **OR**
18 **WORKFORCE TRAINING** for good cause shown. If the individual is
19 allowed to withdraw from community service **OR WORKFORCE TRAINING**
20 for good cause shown, that opportunity for completing community
21 service **OR WORKFORCE TRAINING** shall not be considered in the number
22 of opportunities to perform community service **OR WORKFORCE TRAINING**
23 under this subsection, but the individual is subject to the
24 suspension of his or her driving privileges under section 732a(5).

25 (5) Upon completing community service **OR WORKFORCE TRAINING**
26 under this section, the individual may request the person with whom
27 he or she engaged in community service **OR WORKFORCE TRAINING** under

1 this section to verify on the community service **OR WORKFORCE**
2 **TRAINING** form in the manner designated by the secretary of state
3 that he or she successfully completed that community service **OR**
4 **WORKFORCE TRAINING**. Upon verification, the individual may return
5 the community service **OR WORKFORCE TRAINING** form to the department
6 of treasury for purposes of this section. Any person who falsely
7 verifies community service **OR WORKFORCE TRAINING** under this
8 subsection and any individual who falsely requests the verification
9 of community service **WORKFORCE TRAINING** under this section or who
10 returns a community service form to the department of treasury
11 under this subsection knowing that his or her community service **OR**
12 **WORKFORCE TRAINING** is falsely verified is responsible for a state
13 civil infraction and may be fined not more than \$200.00.

14 (6) The department of treasury shall waive the driver
15 responsibility fee or any portion of the driver responsibility fee
16 otherwise required to be paid under section ~~732a(2)(e)~~
17 **732A(2)(B)(iii) OR (iv), (C),** or (d) upon receiving verification
18 that the individual successfully completed the community service **OR**
19 **WORKFORCE TRAINING** requirements of this section. The department of
20 treasury shall notify the department of state when it has waived
21 the fee under this section or, if the fee is not waived under this
22 section, that the 45-day period has expired and the fee has not
23 been waived. If the secretary of state is notified by the
24 department of treasury that the fee has not been waived, the
25 department of state shall enter that information into the records
26 of the department and shall suspend the individual's driver license
27 and proceed as provided by law for the individual's failure to pay

1 the driver responsibility fee or to complete community service **OR**
2 **WORKFORCE TRAINING** under this section.

3 (7) As used in this section, "community service" means
4 engaging in a useful and productive activity without compensation
5 for a person other than a family member, including, but not limited
6 to, an entity organized under section 501(c)(3) of the internal
7 revenue code, 26 USC 501, and community service offered through the
8 Michigan community service commission.

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

11 Enacting section 2. This amendatory act does not take effect
12 unless Senate Bill No. _____ or House Bill No. 5080 (request no.
13 04200'17) of the 99th Legislature is enacted into law.