



**House
Legislative
Analysis
Section**

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MOTOR VEHICLES USED ABROAD

House Bill 4999 as enrolled
Second Analysis (1-8-90)

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Sponsor: Rep. Kirk A. Profit
House Committee: Transportation
Senate Committee: State Affairs, Tourism &
Transportation

Mich. State Law Library

THE APPARENT PROBLEM:

The vehicle code currently requires the secretary of state to include certain identifying information on an individual's driver's license such as name, address, date of birth, and the like. The secretary of state requires this information to be included on a driver's license application and transfers this information to its computer storage system. The identifying information is then made available to police agencies through the Law Enforcement Information Network, or LEIN, and helps police officers more accurately and efficiently identify a driver. Some people feel if additional identifying information were included on both the driver's license and the license application (for storage in the LEIN), police officers could better identify drivers in a timely fashion.

In another matter, General Motors is developing a special promotion for its Cadillac division. Like similar programs offered by foreign luxury car manufacturers, a person will be able to purchase a Cadillac at a European dealership, take delivery in the United States, and be treated to a package that includes personalized service, factory tours, and subsequent shipment of the vehicle overseas. Part of the promotion is to include a tour of the U.S. in the new Cadillac prior to dropping it off for overseas shipment. In order to tour the U.S. the foreign purchaser would have to obtain a registration in the state where the vehicle was obtained. Michigan's vehicle code provides for a special \$5 registration for vehicles purchased in the state for removal out of state; the registration, however, is valid only for 30 days which some feel may not be long enough to meet the needs of many overseas purchasers. It has been suggested that the effective period for special registration be extended.

THE CONTENT OF THE BILL:

The bill would amend the vehicle code to require the secretary of state to include on a person's driver's license his or her height, among other required information (such as name, address, and signature). Also, the bill would require license applicants to include on an application, in addition to other information, their height and eye color. (The additional application information would be included in the department's computer system and made available to police agencies via the LEIN — Law Enforcement Information Network.)

Also, the bill would allow the secretary of state to issue special 90-day registration for motor vehicles bought in the state to be primarily used, stored, and registered in a foreign country. The fee for such a registration would be \$10 which would be credited to the Michigan Transportation Fund and used to defray costs for issuing special registrations. A certificate of title would not have to be obtained.

If the car was bought from a dealer, the dealer would have to apply for the special registration on the buyer's

behalf. If the car was bought from a manufacturer, the buyer or someone having his or her power of attorney would have to apply in person at a secretary of state's office and supply "certification," as well as any other required forms for the special registration, that showed the person was the bona fide buyer or had the bona fide buyer's power of attorney. The certification would have to include:

- the name and address of the purchaser and the person exercising power of attorney, if any;
- a statement that the vehicle was purchased for registration in a foreign country;
- a statement that the vehicle would be primarily used, stored, and registered outside of the United States and would not be returned to Michigan by the purchaser for use or storage;
- the name of the jurisdiction in which the vehicle was to be registered; and
- any other information required by the secretary of state.

MCL 257.216 et al.

FISCAL IMPLICATIONS:

According to the Department of State, the bill would have minimal fiscal impact on department revenues and expenditures. The department said the number of individuals purchasing special 90-day registrations could not be anticipated. (12-7 89)

ARGUMENTS:

For:

The bill could help state and local law enforcement agencies make a quicker and more accurate ID check of a person from his or her driver's license since more identifying information would be available on a person's driver's license and via the LEIN. Currently a driver's license does not include any physical description of a driver except perhaps a person's age. Adding a person's height to the driver's license would help an officer correlate the license description with what the person actually looks like. A driver's eye color would also be available to police but only through access to LEIN.

For:

The bill would help promote tourism and economic development by encouraging foreigners to purchase American cars and tour the U.S. For example, under a Cadillac promotion program being developed by General Motors a person could arrange to purchase a Cadillac in Europe, take delivery in the U.S., and receive substantial financial incentives in the form of suspended sales taxes, free overseas shipping, and currency exchange rates.

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Included in the package would be travel information, factory tours, and various special services. An integral part of the promotion would be the ease and comfort to tour the U.S. for an extended period of time that would be granted each purchaser. The bill, by allowing a 90-day special registration, would augment the tourism aspects of the promotion.

Against:

It is not clear why a person wealthy enough to buy a Cadillac and travel extensively in a foreign land should be extended the privilege of a registration fee that does not exceed \$10, particularly when that person may be using his or her stay in the U.S. to conduct business and develop profitable contacts in places other than Michigan.