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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

(517) 373-5383

House Bill 4999 (Substitute S-1 as reported)

Sponsor: Representative Kirk A. Profit

House Committee: Transportation

Senate Committee: State Affairs, Tourism, and Transportation

Date Completed: 12-7-89

RATIONALE

The Michigan Vehicle Code currently requires the Secretary of State to include certain identifying information, such as name, address, and date of birth, on an individual's driver's license. 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 then is made available to police agencies through the Law Enforcement Information Network, or LEIN, and reportedly helps police officers to identify a driver more accurately and efficiently. Some people feel if additional physical 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 United States 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. The Michigan Vehicle Code provides for a special \$5 registration for

vehicles purchased in Michigan for removal to a place out-of state, but that registration is good only for 30 days, which some feel may not be long enough to meet the needs of many of the overseas purchasers. It has been suggested that the effective period for special registration be extended.

CONTENT

The bill would amend the Michigan Vehicle Code to require that an operator's or chauffeur's license contain the licensee's height (in addition to his or her name, date of birth, address, photograph, and signature), and to require that an applicant for a license give his or her height and eye color. Further, the bill would allow the Secretary of State to issue special 90-day registrations 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 the expenses of the special registrations. A certificate of title would not have to be obtained.

If a person bought the car from a dealer, the dealer would have to apply for the special registration on behalf of the buyer. If the person bought the car from a manufacturer, the buyer or someone having his or her power

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of attorney would have to apply in person at an office of the Secretary of State and supply "certification"--along with any other required forms for the special registration--that 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.
- Any other information required by the Secretary of State.

MCL 257.216 et al.

SENATE COMMITTEE ACTION

The Senate Committee adopted a substitute that would allow the Secretary of State to issue special 90-day registrations 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.

FISCAL IMPACT

According to the Department of State, the bill would have minimal fiscal impact on Department revenues and expenditures. The number of individuals purchasing special 90-day registrations cannot be anticipated.

ARGUMENTS

Supporting Argument

The bill could help State and local law enforcement agencies to check a driver's identification more quickly and accurately, 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 the actual physical characteristics of the person. A driver's eye color also would be available to police, but only through access to the LEIN.

Supporting Argument

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 United States, and receive substantial financial incentives in the form of suspended sales taxes, free overseas shipping, and currency exchange rates. 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 with which the purchaser could tour the United States for an extended period of time. The bill, by providing for a 90-day special registration, would augment the tourism aspects of the promotion.

Opposing Argument

It is unclear why a person wealthy enough to buy a Cadillac and travel extensively in a foreign land needs to have a registration fee that does not exceed \$10, particularly when that person may be using his or her stay in the United States to conduct business and develop profitable contacts in places other than Michigan.

Legislative Analyst: L. Burghardt
Fiscal Analyst: F. Sanchez

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.