



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bills 624 and 625 (as reported without amendment)
Sponsor: Senator Ken Horn
Committee: Michigan Competitiveness

CONTENT

Senate Bill 624 would amend the Michigan Vehicle Code to provide that, beginning on the bill's effective date, driver responsibility fees (DRFs) could not be assessed against an individual who was convicted of driving after his or her license had been suspended or revoked or his or her license application had been denied, or driving without the required insurance coverage. The bill also would allow an individual to engage in 10 hours of community service or workforce training as an alternative to paying the driver responsibility fee or any portion of it for such a violation.

(Under the Code, subject to a schedule that phases out the assessment of driver responsibility fees for new violations, a DRF of \$500 must be imposed each year for two consecutive years for the violations described above (and other specific violations).)

Senate Bill 625 would amend the Code to require the Department of State to create a workforce training payment program. The Department could work with a local workforce development board, a Michigan Works One-Stop Center, or a training program offered by the Department of Corrections to develop the program. The Department of Treasury be required to administer it.

MCL 257.732a & 257.732b (S.B. 624)
Proposed MCL 257.732c (S.B. 625)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bills would result in additional costs to the State and Workforce Training Programs. The Department of Treasury would experience administrative costs associated with implementing a workforce training payment program that would work with various local providers to allow individuals to participate in 10 hours of workforce training as an alternative to payment of the driver responsibility fee.

Local workforce training program providers would experience costs associated with training individuals who chose workforce training as an alternative to DRF payments. The bills do not specify how these providers would be compensated for the additional expenses. Providers that base revenue from Temporary Assistance for Needy Families (TANF), Federal Workforce Training, or other funding sources on a per-trainee basis would receive additional revenue to cover those expenses. Though an exact number of the individuals who would decide on the workforce training option is difficult to estimate, it is likely to be similar to the percentage of individuals who enter into payment plans or choose community service.

Date Completed: 10-16-17

Fiscal Analyst: Cory Savino

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Bill Analysis @ www.senate.michigan.gov/sfa

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