

# Legislative Analysis



## REMOVE REFERENCES TO DRIVER RESPONSIBILITY FEES

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**Senate Bills 706 (H-1) and 799 (S-1) as reported**

**Sponsor: Sen. Veronica Klinefelt**

**House Committee: Transportation, Mobility and Infrastructure**

**Senate Committee: Transportation and Infrastructure**

**Complete to 6-13-24**

Analysis available at  
<http://www.legislature.mi.gov>

*(Enacted as Public Acts 113 and 114 of 2024)*

### SUMMARY:

**Senate Bill 706** would amend the Michigan Vehicle Code to do all of the following:

- Remove a requirement that the secretary of state (SOS) include in an individual's driving record whether the individual failed to pay a driver responsibility fee (DRF).
- Remove a requirement that the SOS include in the driving record an individual's conviction for an offense described in former section 319e of the code.<sup>1</sup>
- Allow the SOS to reinstate the driver's license of an individual whose privileges were suspended for failure to pay DRFs without requiring them to pay the license reinstatement fee.
- Delete all of section 732a of the code, which established DRFs, except for those provisions that relate to the creation and administration of the Fire Protection Fund, and remove references to section 732a in other sections of the code.
- Repeal sections 732b and 732d of the code, which pertain to workforce training programs and educational outreach in relation to DRFs.

MCL 257.204a et seq.

**Senate Bill 799** would amend the Enhanced Driver License and Enhanced Official State Personal Identification Card Act to remove the assessment of DRFs from a list of "licensing sanctions" under the Michigan Vehicle Code that the holder of an enhanced driver license under the act is subject to.

The bill cannot take effect unless Senate Bill 706 is also enacted.

MCL 28.304

Each bill would take effect 90 days after its enactment.

### FISCAL IMPACT:

Senate Bill 706 would result in an insignificant reduction in revenue to four state departments as described below.

Payments of reinstatement fees from driver license suspensions related to failure of paying DRFs have tapered consistently since 2019, following the elimination of DRFs, and now account for a minimal amount of revenue collected by the SOS.

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<sup>1</sup> This section, repealed in 2020, required the SOS to suspend an individual's license for certain drug-related offenses.

The SOS collected a total of \$3.2 million in reinstatement fee revenue in FY 2022-23. Revenue from each \$125 reinstatement fee is distributed to four separate departments and funds as shown in the table below.

<b>Department</b>	<b>Amount</b>	<b>Fund</b>	<b>Description</b>
SOS, State	\$50	Reinstatement Fees	Supports various operations within the SOS
Transportation (MDOT)	\$35	Economic Development Fund	Funds highway, road, and street projects that support economic growth
Judiciary	\$30	Drunk Driving Fund	Funds the drunk driving case-flow program which assists trial courts with timely disposition of drunk driving offense cases
State Police (MSP)	\$10	Drunk Driving Prevention and Training Fund	Supports the purchase and maintenance of breath-alcohol testing equipment and training to law enforcement officers on using the equipment

Senate Bill 799 would have no fiscal impact on the state or local units of government.

**POSITIONS:**

The following entities indicated support for the bills (6-4-24):

- Department of State
- Michigan Catholic Conference
- Michigan League for Public Policy

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.