

Legislative Analysis



ELECTRONIC TITLE TRANSFERS, TEMPORARY PERMITS

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

Senate Bill 1008 (S-2) as passed by the Senate
Sponsor: Sen. Erika Geiss

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

Senate Bill 1009 as passed by the Senate
Sponsor: Sen. Jeremy Moss

Senate Bill 1010 as passed by the Senate
Sponsor: Sen. Veronica Klinefelt

House Committee: [Placed on second reading]
Senate Committee: Transportation and Infrastructure
Complete to 12-19-24

SUMMARY:

The bills are understood to be follow-up legislation to implement and broaden the provisions of 2023 PA 240, which allowed the secretary of state to issue an electronic vehicle title and establish and operate an electronic system to facilitate electronic transfers of vehicle ownership between private parties (when neither the buyer nor the seller is a dealer).

Senate Bill 1008 would amend the Michigan Vehicle Code to exempt buyers and purchasers of vehicles from providing or processing physical copies of certificates or records of title if the title was transferred electronically. (For instance, they would not have to endorse the certificate in certain cases, or present it in person when transferring plates.) Beginning 180 days after the bill takes effect, the Department of State would have to accept an electronically signed odometer disclosure document. (The code currently allows them to do so.)

MCL 257.233 et seq.

Senate Bill 1009 would amend the Michigan Vehicle Code to allow the secretary of state to issue a temporary registration permit to an applicant for renewal whose current registration will expire before they will receive a license plate. The proper fees and any required donation for the plate would still have to be paid first, but there would be no charge for the temporary permit. The temporary permit would expire when the applicant receives the plate or after 60 days, whichever is earlier.

MCL 257.227

Senate Bill 1010 would amend the Natural Resources and Environmental Protection Act to allow the Department of State to establish, implement, and operate an electronic system to process watercraft and off-road vehicle title transfers between private parties. The department could enter into a contract to do so. (The language of the bill mirrors that of 2023 PA 240 with regard to electronic vehicle transfers.)

MCL 324.80304 and 324.81105

FISCAL IMPACT:

The bills would have no fiscal impact on the state or local units government. The Department of State may incur marginal administrative costs from issuing temporary registration permits for no charge, under Senate Bill 1009, and to extend the capability of electronically transferring ownership interests, or titles, for ORVs and watercraft, under Senate Bill 1010. However, these costs would be able to be covered with existing resources.

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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.