

Legislative Analysis



USE OF SALVAGE VEHICLE FEE REVENUE

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<http://www.house.mi.gov/hfa>

House Bill 4716 as introduced
Sponsor: Rep. Brian BeGole
Committee: Transportation, Mobility and Infrastructure
Complete to 10-17-23

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

SUMMARY:

House Bill 4716 would amend the Michigan Vehicle Code to allow salvage vehicle inspection fees collected by law enforcement agencies to be used for a broader range of law enforcement purposes than currently.¹

The code allows the secretary of state to issue a certificate of title or registration plates for a vehicle with a salvage certificate only after the vehicle has been inspected and met certain criteria. An employee of the Department of State, an on- or off-duty police officer, or a previously certified police officer may be authorized to conduct a salvage vehicle inspection. Each police agency must charge a fee of up to \$100 for the inspections, as determined by the local authority for the police agency. The fees are deposited with the local authority or, if the inspection is completed by an employee of the Department of State, with that department.

Currently, fee revenue collected by local law enforcement agencies must be used solely for law enforcement purposes related to stolen vehicles, including equipment and road patrol services that increase the likelihood of recovering stolen vehicles or stolen vehicle parts, and salvage vehicle inspections.

The bill would instead require that a local authority use the fees for law enforcement equipment and training that are necessary to protect public health or safety.

MCL 257.217c

FISCAL IMPACT:

House Bill 4716 would not affect the level of fee revenue collected by local law enforcement agencies, but it would alter how those funds could be expended, allowing expenditures for law enforcement equipment necessary to protect public health or safety.

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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.

¹ The bill also would delete subsection (1) of section 217c. However, because that provision duplicates subsection (23), this change would have no effect.