

**SUBSTITUTE FOR
HOUSE BILL NO. 4809**

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending the title and section 219 (MCL 257.219), the title as
amended by 2016 PA 32 and section 219 as amended by 2018 PA 74, and
by adding sections 820a and 820b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE
2 An act to provide for the registration, titling, sale,
3 transfer, and regulation of certain vehicles operated upon the
4 public highways of this state or any other place open to the
5 general public or generally accessible to motor vehicles and
6 distressed vehicles; to provide for the licensing of dealers; to
7 provide for the examination, licensing, and control of operators



1 and chauffeurs; to provide for the giving of proof of financial
2 responsibility and security by owners and operators of vehicles; to
3 provide for the imposition, levy, and collection of specific taxes
4 on vehicles, and the levy and collection of sales and use taxes,
5 license fees, and permit fees; to provide for the regulation and
6 use of streets and highways; to create certain funds; to provide
7 penalties and sanctions for a violation of this act; to provide for
8 civil liability of manufacturers, the manufacturers of certain
9 devices, the manufacturers of automated technology, upfitters,
10 owners, and operators of vehicles and service of process on
11 residents and nonresidents; to regulate the introduction and use of
12 certain evidence; to regulate and certify the manufacturers of
13 certain devices; to provide for approval and certification of
14 installers and servicers of certain devices; to provide for the
15 levy of certain assessments; **to authorize the secretary of state to**
16 **aid in the enforcement of unpaid tolls and enter agreements with**
17 **certain operators of international toll bridges and tunnels; to**
18 **provide for the powers and duties of certain operators of**
19 **international toll bridges and tunnels; to provide procedures for**
20 **disputing claims of unpaid tolls; to authorize the secretary of**
21 **state to enter into a reciprocity agreement with the duly**
22 **authorized representative of another state or tolling entity for**
23 **the enforcement and collection of tolls and related fees; to**
24 provide for the enforcement of this act; to provide for the
25 creation of and to prescribe the powers and duties of certain state
26 and local agencies; to impose liability upon the state or local
27 agencies; to provide appropriations for certain purposes; to repeal
28 all other acts or parts of acts inconsistent with this act or
29 contrary to this act; and to repeal certain parts of this act on a



1 specific date.

2 Sec. 219. (1) The secretary of state shall refuse issuance of
3 a registration or a transfer of registration upon any of the
4 following grounds:

5 (a) The application contains a false or fraudulent statement,
6 the applicant has failed to furnish required information or
7 reasonable additional information requested by the secretary of
8 state, or the applicant is not entitled to the registration of the
9 vehicle under this act.

10 (b) The secretary of state has reasonable ground to believe
11 that the vehicle is a stolen or embezzled vehicle, or that the
12 granting of registration would constitute a fraud against the
13 rightful owner or other person having a valid lien upon the
14 vehicle.

15 (c) The registration of the vehicle is suspended or revoked
16 for any reason provided in the motor vehicle laws of this state.

17 (d) At the time of the application, the operator's or
18 chauffeur's license of the owner or co-owner or lessee or co-lessee
19 is suspended, revoked, or denied, except for an applicant who has
20 been issued a license under section 304, or the operator has never
21 been licensed by this state for a third or subsequent violation of
22 section 625 or 625m, a local ordinance substantially corresponding
23 to section 625 or 625m, or a law of another state substantially
24 corresponding to section 625 or 625m, or for a fourth or subsequent
25 suspension or revocation under section 904.

26 (e) The required fee has not been paid.

27 (f) The applicant, at the time of applying for registration or
28 a transfer of registration other than a temporary registration
29 issued under section 226b, fails to present a certificate of



1 compliance or waiver for a motor vehicle as required under either
2 part 63 or part 65 of the natural resources and environmental
3 protection act, 1994 PA 451, MCL 324.6301 to 324.6321 and 324.6501
4 to 324.6539.

5 (g) The application for registration of a vehicle with an
6 elected gross weight of 55,000 pounds or more is not accompanied
7 with proof of payment of the federal highway use tax levied under
8 the surface transportation assistance act of 1982, Public Law 97-
9 424.

10 (h) The applicant is a motor carrier subject to an out-of-
11 service order, the applicant has applied for a registration or
12 transfer registration as a subterfuge for a person subject to an
13 out-of-service order, or the applicant's business is operated,
14 managed, controlled by, or affiliated with a person that is
15 ineligible for registration, including, but not limited to, the
16 applicant, a relative or family member of the applicant, or a
17 corporate officer or shareholder of the applicant. As used in this
18 subdivision, "out-of-service order" means that term as defined in
19 49 CFR 390.5, and also includes an out-of-service order issued
20 under 49 CFR 386.73.

21 **(i) Except as otherwise provided in this subdivision, the**
22 **secretary of state has received a notice from an operator of an**
23 **international toll bridge or tunnel as described in section 820a(6)**
24 **identifying the applicant. The secretary of state shall not refuse**
25 **issuance of a registration or a transfer of registration under this**
26 **subdivision if either of the following conditions is met:**

27 **(i) The secretary of state receives a timely request for review**
28 **under section 820a(5) with any required affidavits and the review**
29 **is pending as described in section 820a(5) (b) (ii) .**



1 (ii) The secretary of state receives a notice described in
2 section 820a(10) or otherwise determined that the applicant has
3 fewer than 6 unpaid tolls and related fees due to the operator.

4 (2) The secretary of state shall refuse issuance of a
5 certificate of title or a salvage certificate of title upon any of
6 the following grounds:

7 (a) The application contains a false or fraudulent statement,
8 the applicant has failed to furnish required information or
9 reasonable additional information requested by the secretary of
10 state, or the applicant is not entitled to the issuance of a
11 certificate of title or salvage certificate of title under this
12 act.

13 (b) The secretary of state has reasonable ground to believe
14 that the vehicle is a stolen or embezzled vehicle or that the
15 issuance of a certificate of title or a salvage certificate of
16 title would constitute a fraud against the rightful owner or other
17 person having a valid security interest upon the vehicle.

18 (c) The required fee has not been paid.

19 (3) The secretary of state shall not issue a registration for
20 a vehicle for which a temporary registration plate was issued under
21 section 904c until the violation resulting in the issuance of the
22 plate is adjudicated or the vehicle is transferred to a person who
23 is subject to payment of a use tax under section 3 of the use tax
24 act, 1937 PA 94, MCL 205.93.

25 **Sec. 820a. (1) Upon appropriation of funds and authorization**
26 **of full-time employees for the program, the secretary of state**
27 **shall implement a tolling enforcement program as provided in this**
28 **section and section 820b. Under the tolling enforcement program, at**
29 **the request of an operator, the secretary of state shall negotiate**



1 with the operator and enter into a tolling enforcement agreement
2 consistent with this section to aid in the enforcement of
3 collecting unpaid tolls. The tolling enforcement agreement must
4 provide for all of the following:

5 (a) A method for determining the registered owner of a vehicle
6 for which an individual failed to pay a toll.

7 (b) The form of a notice of unpaid toll to be sent to an
8 individual who failed to pay the toll.

9 (c) The service fee that the secretary of state may charge the
10 operator for providing services under the tolling enforcement
11 agreement.

12 (d) A dispute resolution process for an individual to dispute
13 a notice of unpaid toll.

14 (e) Data sharing standards for the transmittal, retention,
15 breach, and use of data, including that the operator shall use any
16 data shared by the secretary of state solely for the purpose of
17 collecting tolls.

18 (f) That the data exchanged must include both of the
19 following:

20 (i) The names and addresses of individuals who allegedly failed
21 to pay a toll.

22 (ii) Toll transaction details of the vehicles and registration
23 plates.

24 (g) A statement that the tolls and related fees collected by
25 or on behalf of the operator are the property of the operator and
26 that an operator may do any of the following:

27 (i) Establish, collect, and enforce the payment of tolls.

28 (ii) Exempt any vehicle or class of vehicles from the payment
29 of tolls.



1 (iii) Determine the methods of payment of tolls.

2 (iv) Establish terms and conditions for the registration and
3 distribution of toll devices.

4 (h) Standards for who is responsible for paying a toll if the
5 motor vehicle is leased or rented.

6 (2) If a motor vehicle travels on an international toll bridge
7 or tunnel located in this state and a toll for traveling on the
8 international bridge or tunnel is not paid prior to travel or at
9 the time of travel, the operator must send a bill to the registered
10 owner or lessee of the motor vehicle for the amount of the unpaid
11 toll by first class mail or, with the consent of the registered
12 owner or lessee of a motor vehicle, to an email designated by the
13 registered owner or lessee. Both of the following apply to the bill
14 sent under this subsection:

15 (a) The operator must send the bill within 90 days after
16 receiving accurate data from the secretary of state or, if the
17 operator is not relying on data from the secretary of state, within
18 90 days after the travel occurs. If a bill is not sent within the
19 required time, the operator waives collection of the toll.

20 (b) Unless the registered owner or lessee consents to a
21 different form of bill, a bill sent under this subsection must
22 include all of the following information:

23 (i) The name and address of the registered owner or lessee of
24 the motor vehicle that traveled on the international bridge or
25 tunnel.

26 (ii) The date and approximate time that the travel occurred.

27 (iii) An image of the registration plate of the motor vehicle,
28 if the operator captured an electronic image of the motor vehicle
29 when it traveled on the international bridge or tunnel.



1 (iv) The amount of the toll due and an explanation of how
2 payment may be made.

3 (v) The date by which the toll must be paid to avoid the
4 imposition of a related fee and the amount of the related fee.

5 (vi) A statement that the registered owner or lessee of a motor
6 vehicle that is associated with 6 or more unpaid tolls shall not
7 renew the vehicle's registration until the tolls are paid.

8 (vii) A clear and concise explanation of how to contest
9 liability for the toll.

10 (3) A registered owner or lessee of a motor vehicle who
11 receives a bill for an unpaid toll must take one of the following
12 actions within 30 days after receiving the bill:

13 (a) Pay the bill.

14 (b) Dispute the unpaid toll with the toll operator.

15 (4) If the registered owner or lessee does not take 1 of the
16 actions required under subsection (3) within the required time, the
17 operator may add reasonable related fees to the amount the
18 registered owner or lessee owes. The sum of any related fees must
19 be reasonable and not exceed 3 times the toll amount per unpaid
20 toll.

21 (5) A registered owner or lessee who receives a bill for an
22 unpaid toll and who disputes liability for the toll under
23 subsection (3) (a) (ii) may appeal an adverse determination by the
24 operator by sending a request for review of the toll to the
25 secretary of state subject to all of the following:

26 (a) The request for review must be sent within 30 days after
27 the date of the determination by the toll operator or the right to
28 a review is waived.

29 (b) If the request for review is sent timely with any required



1 affidavit, both of the following apply until after the conclusion
2 of the review:

3 (i) The operator must not collect the disputed toll and any
4 related fee added to the bill for that toll.

5 (ii) The secretary of state must not refuse to issue a
6 registration to or transfer a registration issued to the registered
7 owner or lessee under section 219(1)(i).

8 (c) If the secretary of state determines that the registered
9 owner or lessee who requested the review is responsible for the
10 toll, the secretary of state must send the registered owner or
11 lessee and the operator a notice of that determination. The notice
12 must include the number of unpaid tolls the registered owner or
13 lessee has outstanding and a statement that a vehicle owner or
14 lessee who has 6 or more unpaid tolls will not be able to renew the
15 vehicle's registration until at least 1 of the unpaid tolls, and
16 its related fees, are paid.

17 (d) If the secretary of state determines that the registered
18 owner or lessee who requested the review is not responsible for the
19 unpaid toll, the operator must absolve the registered owner or
20 lessee from any liability for that unpaid toll and related fees and
21 must not attempt any other methods of enforcement and collection
22 otherwise available under the law.

23 (6) If a motor vehicle that travels on an international toll
24 bridge or tunnel located in this state is associated with 6 or more
25 tolls that remain unpaid for more than 90 days after the registered
26 owner or lessee receives a notice of unpaid toll as required by a
27 tolling enforcement agreement under this section, an operator may
28 notify the secretary of state of the failure to pay the tolls on a
29 form determined by the secretary of state. The secretary of state



1 must review the notice and make an initial determination of the
2 registered owner or lessee's responsibility.

3 (7) If the secretary of state receives a notice under
4 subsection (6) and after the secretary of state has made an initial
5 determination of the registered owner or lessee's responsibility,
6 the secretary of state must notify the registered owner or lessee
7 that the vehicle is associated with 6 or more unpaid tolls and is
8 subject to a registration hold under section 219. The notice must
9 include an explanation of how to dispute the registration hold.

10 (8) A registered owner or lessee who receives a notice of the
11 registration hold under subsection (7) may send a request to the
12 secretary of state to review the unpaid tolls. The registered owner
13 or lessee must send the request for review and any required
14 affidavit to the secretary of state within 30 days after the date
15 of the notice of the registration hold. A registered owner or
16 lessee who does not send a request for review and any required
17 affidavit to the secretary of state within the required time waives
18 the right to a review. Both of the following apply to a review of a
19 registration hold under this subsection:

20 (a) If the secretary of state determines that the registered
21 owner or lessee is responsible for the tolls, the secretary of
22 state must send the registered owner or lessee a notice informing
23 the registered owner or lessee and the operator of the secretary of
24 state's determination.

25 (b) If the secretary of state determines that the registered
26 owner or lessee who requested the review is not responsible for 1
27 or more of the unpaid tolls, the operator must absolve the
28 registered owner or lessee person from any responsibility for those
29 unpaid tolls and related fees that the secretary of state



1 determined were not due, and must not attempt any other methods of
2 enforcement and collection otherwise available under the law.

3 (9) Under section 219, the secretary of state must refuse to
4 issue a registration to or transfer a registration issued to a
5 registered owner or lessee who:

6 (a) Failed to timely request a review and provide any required
7 affidavit under subsection (8).

8 (b) Is determined to be responsible for the unpaid tolls under
9 subsection (8) (a).

10 (10) If an operator gives notice to the secretary of state
11 identifying an individual as described in subsection (6), the
12 operator shall immediately notify the secretary of state on a form
13 determined by the secretary of state if the operator later
14 determines that the individual has fewer than 6 unpaid tolls and
15 related fees due to the operator.

16 (11) The registered owner or lessee of the vehicle is presumed
17 to be the individual responsible for paying a toll under this
18 section. An individual disputing liability may establish that the
19 vehicle was operated by another individual when the vehicle
20 incurred a toll by submitting an affidavit attesting to one of the
21 following:

22 (a) The name and address of the individual operating the
23 vehicle at the time the toll was incurred.

24 (b) That the vehicle was stolen. An affidavit submitted under
25 this subparagraph must be supported by evidence of the theft,
26 including, but not limited to, an insurance or police report
27 concerning the theft.

28 (c) That the vehicle was sold or transferred to another
29 individual. An affidavit submitted under this subdivision must be



1 supported by evidence of the transfer, including, but not limited
2 to, insurance information, a bill of sale, or a copy of the title.

3 (12) If an individual establishes that a vehicle was operated
4 by another individual under subsection (11), that other individual
5 is liable for the payment of the toll.

6 (13) This section does not authorize an operator to charge and
7 collect tolls on a bridge or tunnel if not otherwise authorized by
8 law.

9 (14) The secretary of state may promulgate rules necessary to
10 implement this section under the administrative procedures act of
11 1969, 1969 PA 306, MCL 24.201 to 24.328.

12 (15) As used in this section and in section 820b:

13 (a) "Operator" means the owner or operator of a publicly or
14 privately owned international toll bridge or tunnel part of which
15 is located in this state that uses an automatic tolling system that
16 identifies an individual responsible for paying a toll by doing
17 either of the following:

18 (i) Photographing the individual's vehicle registration plate.

19 (ii) Detecting a toll device.

20 (b) "Related fee" means any fee or charge, including interest,
21 permitted by law for creating, maintaining, administering, billing,
22 and collecting an account.

23 (c) "Toll" means a toll for operating a vehicle on part of an
24 international toll bridge or tunnel located in this state and any
25 related fees.

26 (d) "Toll device" means an electronic device used to identify
27 a vehicle, including, but not limited to, a transponder system,
28 that is linked to an account for which an individual must register.

29 Sec. 820b. (1) The secretary of state may, on the written



1 request of an operator, enter into a reciprocity agreement with the
2 duly authorized representative of another state or tolling entity
3 for the enforcement and collection of tolls.

4 (2) A reciprocity agreement must provide that if the issuance
5 of registration or a transfer of registration of a motor vehicle
6 would be refused under section 219, or pursuant to a comparable law
7 or regulation of another state, because the registrant of the motor
8 vehicle failed to pay applicable tolls, then the state issuing the
9 registration shall likewise refuse the issuance of registration or
10 transfer of registration until the registrant has paid the tolls
11 and otherwise complied with the rules and regulations of the other
12 state or tolling entity that imposed the tolls.

13 (3) Before entering into a reciprocity agreement, the
14 secretary of state must confirm and include in the reciprocity
15 agreement all of the following:

16 (a) The other state or tolling entity has its own effective
17 reciprocal procedure for collecting tolls and agrees to collect
18 tolls by employing sanctions for nonpayment that include denial of
19 the issuance of registration or transfer of registration of a motor
20 vehicle.

21 (b) The other state or tolling entity provides adequate
22 notice, due process, and appeal protections to avoid the likelihood
23 of a false, a mistaken, or an unjustified claim of nonpayment.

24 (c) The registered owner of a motor vehicle registered in this
25 state may present evidence to the other state or tolling entity by
26 mail, telephone, electronic means, or other means to invoke rights
27 of due process without having to appear personally in the other
28 state where the nonpayment is alleged to have occurred.

29 (d) The secretary of state may charge the other state or



1 tolling entity a fee sufficient to cover the costs of collection
2 services.

3 (e) Additional terms and procedures as are necessary and
4 proper to facilitate the administration of the reciprocity
5 agreement.

6 (4) This section does not limit the enforcement or collection
7 of a toll by any means available under the law.

8 (5) Notwithstanding any law to the contrary, the secretary of
9 state may release registration information and may take other
10 actions that are reasonably necessary to effectuate the enforcement
11 or collection of tolls under a reciprocity agreement.

12 (6) The secretary of state may promulgate rules necessary to
13 implement this section under the administrative procedures act of
14 1969, 1969 PA 306, MCL 24.201 to 24.328.

15 (7) As used in this section:

16 (a) "Reciprocity agreement" means a reciprocity agreement
17 entered under subsection (1).

18 (b) "State" means any state, territory, or possession of the
19 United States, the District of Columbia, or any province of Canada.

20 (c) "Tolling entity" means an entity authorized to impose and
21 collect tolls under the laws of this state or another state.