Legislative Analysis



OPERATING VEHICLE WITHOUT A LICENSE: REQUIRE PLATE TO BE CONFISCATED/DESTROYED

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

House Bill 4042 as introduced Sponsor: Rep. Peter J. Lucido Committee: Law and Justice Analysis available at http://www.legislature.mi.gov

Complete to 2-17-17

SUMMARY:

<u>House Bill 4042</u> amends the Michigan Vehicle Code to require a peace officer to confiscate the license plate of an owner-operated vehicle and to require the Secretary of State to cancel the license plate for the following driving-related offenses:

- > Operating a vehicle without a valid driver license.
- ➤ Inability to produce a driver license issued by any state or foreign country within the preceding three years upon request by a police officer.

Under the bill, unless proof of insurance is presented within 10 days, the license plate would be destroyed.

Registration plate confiscated/destroyed/cancelled:

The bill requires a peace officer who stops a person who is operating a vehicle *that he or she owns* without a valid driver license <u>or</u> who cannot produce evidence of a valid driver license upon the officer's request to do the following:

- Immediately confiscate the vehicle's registration (license) plate, hold it for a period of 10 days, <u>and</u>, unless the vehicle's owner can present proof of insurance within this 10-day period, destroy the license plate. (It is not clear in the bill if, when the owner presents the proof of insurance within the 10-day period, the license plate will be returned.)
- ➤ If the plate is destroyed, <u>notify</u> the secretary of state (SOS) through the Law Enforcement Information Network (LEIN) in a form prescribed by SOS that the plate had been destroyed.

If the SOS receives the notification described above that the vehicle's license plate had been destroyed, the SOS must cancel the registration plate. The owner of the vehicle for which the registration plate was canceled by the SOS must then obtain a new license plate for that vehicle when seeking to register it.

Current penalty for operating a vehicle without a valid license:

The Code prohibits a person whose operator's or chauffeur's license has been suspended or revoked, whose application for a license has been denied, or who has never applied for a license, from operating a motor vehicle (regardless of who owns the vehicle) upon a highway or other place open to the general public or generally accessible to motor vehicles, including parking lots. A violation is a misdemeanor; a first offense is punishable by imprisonment for not more than 93 days and/or a fine of not more than \$500, and a second or subsequent offense

House Fiscal Agency Page 1 of 2

is punishable by a maximum term of imprisonment of one year and/or a maximum fine of \$1,000. These penalties are not changed in the bill.

Inability to produce a valid license upon request/current law:

Unless a person is exempted from license requirements under the Code, it is a misdemeanor offense for a driver to operate a motor vehicle (regardless of who owns the vehicle) without being able to show that a currently valid license has been issued by any state or foreign county within the preceding three years. A first violation is punishable by imprisonment for not more than 90 days or by a fine of not more than \$100. A second or subsequent offense is punishable by not less than two days or more than 90 days imprisonment or a fine of \$100. This penalty remains the same.

<u>The bill</u> makes a minor revision to the wording of the provision by specifying that the penalty described above will be imposed if a person is unable to <u>produce evidence</u> of having been issued a license valid within the preceding three years <u>upon the request of a police officer</u> (underlining denotes new language).

[The term "peace officer" is not defined in the Michigan Vehicle Code, but is included in the Code's definition of "police officer" which means any of the following:

- ➤ A sheriff or sheriff's deputy.
- ➤ A village or township marshal.
- An officer of the police department of any city, village, or township.
- ➤ An officer of the Michigan State Police.
- A peace officer who is trained and certified under the Commission on Law Enforcement Standards Act.
- ➤ In limited circumstances, a duly authorized agent of a county road commission.]

The bill takes effect 90 days after enactment.

MCL 257.904 and 257.904a

FISCAL IMPACT:

<u>State Police impact</u>: This bill could impose negligible costs on the Michigan State Police and local law enforcement agencies, to the extent that it would increase reporting requirements by the Michigan Department of State.

<u>Secretary of State impact</u>: The bill would result in an indeterminate but potential increase in revenue to the Michigan Transportation Fund, which funds local roads and various government agencies. The additional revenue would largely depend on the number of drivers who have their registration plates canceled in accordance with the new requirements of the bill, are compelled to renew their registration plates, and who would not have been compelled to do likewise under the current law.

Legislative Analyst: Susan Stutzky Fiscal Analyst: Kent Dell

Mike Cnossen

House Fiscal Agency HB 4042 as introduced Page 2 of 2

[■] 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.