



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 1023 (as reported without amendment)
Sponsor: Senator Peter MacGregor
Committee: Commerce

CONTENT

The bill would amend the Michigan Vehicle Code to do the following:

- Require the Secretary of State to establish a prelicensure dealer training program, a training program for designated individuals, and a continuing education training program, and require each training program to meet certain criteria.
- Allow a prelicensure training program and a training program for designated individuals to be conducted online or by other electronic means, if the Department of State approved.
- Allow the Department to consult with other State departments to evaluate and approve course content for a prelicensure training program or a continuing education training program.
- Require an applicant for an original eligible used vehicle dealer license to complete a prelicensure dealer license program, within the six-month period before the application.
- Prohibit the Department from renewing an eligible used vehicle dealer license unless the application included a certification from the dealer that it was in compliance with the bill's training requirements.
- Require an eligible used vehicle dealer to select a designated individual, and ensure that he or she completed a training program for designated individuals, within 90 days after an original dealer license was issued, and a continuing education training program once a year after the license was issued.
- Require certain certifications to be included on a dealer license application.

MCL 257.248 et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill could have an indeterminate fiscal impact on the Department of State. Currently the Department does offer dealer training programs, however, they would not meet the requirements proposed by bill. The bill would allow for the Department to approve a qualified trade organization to conduct the training program but it is unclear as to how those programs would be funded. The Department has indicated that there is no mechanism currently in place for it to charge a fee for the programs.

The cost is indeterminate and would depend on how many additional trainings would be required, whether the Department opted to modify the courses it already offers, and whether the Department would choose to contract with a qualified trade organization to conduct the courses. Although the anticipated additional costs should be minimal, additional supplemental funding could be required later in the fiscal year, or additional funding could be included in the next year's annual appropriations.

Date Completed: 9-10-18

Fiscal Analyst: Joe Carrasco

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Bill Analysis @ www.senate.michigan.gov/sfa

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