



**House  
Legislative  
Analysis  
Section**

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**MOTORCYCLE FEES**

**Senate Bill 991 with House committee amendments  
First Analysis (12-1-88)**

**Sponsor: Sen. Michael O'Brian  
Senate Committee: State Affairs, Tourism, and  
Transportation  
House Committee: Transportation**

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***THE APPARENT PROBLEM:***

The Motorcycle Safety Education Program, which is conducted by the Department of Education, provides for the establishment and funding of motorcycle safety courses at public institutions or governmental agencies such as sheriffs' departments. To date, the program has been funded from fees received for original motorcycle endorsements and motorcycle registrations (\$4 of each \$7.50 for an original endorsement and \$3 of each \$23 for a motorcycle registration), but these revenues have been decreasing steadily primarily because motorcycle registrations have declined from 254,129 in 1980 to 171,499 in 1987. The demand for the safety education courses, however, reportedly has remained constant, which some believe is attributable to the increasing number of persons who are choosing to drive all-terrain vehicles rather than street motorcycles but who still want to take advantage of the driver safety classes offered through the Motorcycle Safety Education Program. If the availability and accessibility of the classes are to keep pace with the demand, some claim that additional funds must be earmarked for the program.

***THE CONTENT OF THE BILL:***

The bill would amend the Michigan Vehicle Code to require the secretary of state to charge a \$15 fee for each motorcycle operator driving test, increase the renewal fees for motorcycle endorsements, and allocate the test fee and the increases in the renewal fees to the Motorcycle Safety Fund to be used only to fund the Motorcycle Safety Education Program. Under the bill, the \$2 renewal fee for a motorcycle endorsement for a three- or four-year driver's license would be increased to \$4, and the \$3 renewal fee for a motorcycle endorsement on a two-year license would be increased to \$5. (The act provides that a two-year license may be issued to a person who has been charged with 12 or more points in the 24 months preceding the expiration of his or her current license, or had his or her license suspended or revoked, or been convicted of certain violations in the 36 months preceding expiration.)

The bill would take effect April 1, 1989.

MCL 257.312b et al.

***HOUSE COMMITTEE ACTION:***

The House Committee on Transportation amended the bill to establish an effective date of April 1, 1989.

***FISCAL IMPLICATIONS:***

According to the Department of State, the bill would increase revenue for the State Motorcycle Safety Fund by approximately \$366,200. There are approximately 9,000 motorcycle operator driving tests and 120,000 motorcycle endorsement renewals each year. Assuming this amount

of activity continues (and subtracting 400 tests/renewals — the estimated number given from January through March — which the bill's April 1, 1989 effective date would exclude), the proposed \$15 test fee and \$2 endorsement renewal fee increase would generate \$134,200 and \$232,000, respectively.

***ARGUMENTS:***

***For:***

By targeting additional funds for the Motorcycle Safety Education Program, the bill would help to ensure that motorcycle safety classes continue to be widely accessible to the public and that motorcycle and all terrain vehicle enthusiasts have the opportunity to obtain instruction in the proper operation of the vehicles and safe driving habits.

***POSITIONS:***

A representative of the Department of State testified in support of the bill before the House Committee on Transportation. (11-30-88)

The Michigan Motorcycle Dealers Association supports the bill. (11-30-88)

ABATE (A Brotherhood Against Totalitarian Enactments or A Brotherhood Aimed Toward Education) supports the bill. (11-30-88)

S.B. 991 (12-1-88)