



House  
Legislative  
Analysis  
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## NONPROFIT PLATES: RECYCLERS

House Bill 4369 as introduced  
First Analysis (4-4-95)

Sponsor: Rep. Frank M. Fitzgerald  
Committee: Transportation

### **THE APPARENT PROBLEM:**

Current law allows for certain nonprofit organizations to be eligible for the state "Y" license plate (nonprofit organization license plate). By qualifying for these special plates, such groups are able to save funds that otherwise would be paid for license plates, and use the savings for their nonprofit activities. Some people believe nonprofit organizations involved in recycling activities should also be able to qualify for the "Y" license plate.

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

Under the Michigan Vehicle Code (MCL 257.224 and 257.801), vehicles owned and used by the civil air patrol and certain nonprofit groups qualify for special registration plates which cost \$10 per plate and must be renewed once every five years. Such plates may be transferred to another vehicle upon proper application and payment of a \$10 fee. A vehicle for which the plates are purchased must be used exclusively for the purposes of the particular group that owns it and carry signs identifying the group's name. The bill would amend the act to add to the list of vehicles that qualify for these special plates one that was owned and operated by a nonprofit recycling center.

### **FISCAL IMPLICATIONS:**

The House Fiscal Agency says the bill would result in a minimal revenue loss to the Michigan Transportation Fund, the amount of which would depend on the number of nonprofit recycling centers that currently pay the regular fee for vehicle plates but which, under the bill, would qualify for the \$10 "Y" plate. (4-3-95)

### **ARGUMENTS:**

#### **For:**

The Michigan Vehicle Code currently provides for the issuance of special vehicle license plates for vehicles owned by the civil air patrol and for those

owned and used by nonprofit organizations in their work, such as for children's and educational groups, veterans groups, and various charitable groups. Giving these groups access to the so-called "Y" plate (which costs \$10) enables them to use money that otherwise would be spent on regular license plates for their nonprofit work. The bill would add nonprofit recycling centers to the list of groups that qualify for the plates. For many of these organizations, savings from being able to use the "Y" plate would amount to hundreds, even thousands, of dollars annually. Nonprofit recyclers use vehicles, including large trucks and trailers, as an integral part of their operations in collecting and transporting recyclable materials, and very often may be the only such group performing this function in a given area. Furthermore, the general public benefits from their activities. And though the bill would have a significant fiscal impact on each individual nonprofit recycler in the state, which generally operate on strict budgets, it would result in only a minimal loss of funds for the Michigan Transportation Fund.

### **POSITIONS:**

The Michigan Environmental Council supports the bill. (3-27-95)

The Michigan Recycling Coalition supports the bill. (3-27-95)

The Recyclers of Ingham, Eaton, and Clinton Counties supports the bill. (3-28-95)

Recycle Ann Arbor supports the bill. (4-3-95)

The Department of State has no position on the bill. (3-27-95)

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