



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383

Fax: (517) 373-1986

House Bill 5569 (Substitute H-1 as passed by the House)

Sponsor: Representative Timothy Walberg

House Committee: Transportation

Senate Committee: Transportation and Tourism

Date Completed: 3-27-96

CONTENT

The bill would amend the Michigan Vehicle Code to increase fees for an original or renewal of a motorcycle endorsement and increase the amounts from these fees that are directed to the Motorcycle Safety Fund. The bill also would require that fees from the motorcycle operator driving test be used to fund the costs incurred for the test, instead of funding the motorcycle safety education program as currently required.

The Michigan Vehicle Code currently requires that every application for a motorcycle endorsement on an operator's or chauffeur's license be accompanied by a \$7.50 fee for an original endorsement and \$4 for a renewal, in addition to any other original or renewal operator or chauffeur license fee. In addition, \$4 of each original motorcycle endorsement and \$2 of each renewal must be placed in the Motorcycle Safety Fund and used only for funding the motorcycle safety education program. The bill would increase the original endorsement fee from \$7.50 to \$8.50 and the renewal fee from \$4 to \$6. The bill also would increase the amount directed from these fees into the Fund from \$4 to \$5 for each original endorsement and from \$2 to \$4 for each renewal. The bill specifies that these fees could be used only by the Department of Education for the motorcycle safety education program.

Under the Code, the Secretary of State is responsible for establishing and conducting the motorcycle operator driving test, and is required to charge a \$15 fee for each motorcycle operator driving test. This fee must be placed in a Motorcycle Safety Fund and used only for funding the motorcycle safety education program. The bill would delete the reference to the education program, and require the fee, instead, to be used for funding the costs of the Secretary of State incurred for each motorcycle operator driving test that had been conducted. In addition, the bill would delete a provision requiring the Secretary of State to be reimbursed from the Fund for additional reasonable costs incurred by the Department of State in developing and administering the driving test.

MCL 257.312b & 257.312c

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would result in an average annual increase of approximately \$220,000 to the Motorcycle Safety Fund.

The FY 1995-96 appropriation to the Department of State from the Motorcycle Safety Fund is \$225,100. Limiting the Department of State's use of the Fund to road test revenue would reduce funding to the Department of State to approximately \$100,000.

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.