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**SFA****BILL ANALYSIS**

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Senate Bill 737 (as enrolled)  
Sponsor: Senator Bill Schuette  
Senate Committee: Transportation and Tourism  
House Committee: Transportation

**PUBLIC ACT 78 of 2000**

Date Completed: 1-29-01

**RATIONALE**

The Congressional Medal of Honor is the most distinguished decoration for military valor that an individual in the military service can receive. As the nation's highest award for bravery, the Medal of Honor is bestowed only for extraordinary acts of heroism or self-sacrifice. In recognition of this honor, the Michigan Vehicle Code requires the Secretary of State to design a special Congressional Medal of Honor registration plate for State residents who received the Medal of Honor. It was suggested that, in further recognition of their service to the country, the Code should exempt applicants for the Medal of Honor plate from having to pay a registration fee for it.

Also, under the Michigan Vehicle Code, members of the armed services as well as veterans of specified conflicts may purchase customized and specialty license plates. A number of states, however, issue customized and commemorative plates to help raise money for certain organizations, such as universities and service groups. Since the mid-1990s, Michigan residents have been able to purchase specialty license plates to help fund the Olympic Training Center at Northern Michigan University. Some people believe that the Code also should permit the issuance of a veterans memorial registration plate, with service fees for it designated to the Vietnam Veterans Memorial Monument Fund.

**registration plate.**

- **Require the service fees from the veterans memorial registration plate, after manufacturing and administrative costs are deducted, to be credited to the Michigan Vietnam Veterans Memorial Monument Fund for construction of a memorial monument.**

**Medal of Honor Plate**

Currently, the Secretary of State is required to design a special Congressional Medal of Honor registration plate for State residents who received the Congressional Medal of Honor. A special registration plate may be issued only for one vehicle intended for personal use by the applicant.

The bill adds that a person who received a Congressional Medal of Honor may apply to the Secretary of State for a special registration plate on a form prescribed by the SOS. The application must be accompanied by any proof that the applicant is a Medal of Honor recipient that the SOS may require. The SOS must waive the \$5 service fee that the Code requires for a distinctive or commemorative plate. A person who qualifies for a Medal of Honor special registration plate is entitled to only one plate that is exempt from the Code's registration fees.

**CONTENT**

The bill amended the Michigan Vehicle Code to:

- **Exempt from payment of the vehicle registration fee a person who is issued a Medal of Honor specialty plate.**
- **Require an application for the specialty plate to include proof that the individual received the Congressional Medal of Honor.**
- **Require the Secretary of State (SOS) to develop and, upon application, permit the SOS to issue a Michigan Veterans Memorial**

A person with disabilities who applies for a Medal of Honor special registration plate must be issued a tab for persons with disabilities, as provided in the Code, for his or her special registration plate. The SOS must require the same proof that the applicant is disabled as is required under the Code for issuance of a permanent windshield placard.

A Medal of Honor special registration plate will expire on the vehicle owner's birthday in a year in which new plates are issued by the Secretary of State.

The SOS must deliver or cause to be delivered one or more special registration plates to the home address of the applicant at no additional cost to him or her.

#### Veterans Memorial Plate

Under the bill, the SOS must develop and, upon application, may issue a Michigan Veterans Memorial registration plate to an applicant for use on the passenger motor vehicle, pickup truck, van, motor home, hearse, bus, trailer coach, or trailer for which the registration plate is issued instead of a standard registration plate. A Michigan Veterans Memorial registration plate must bear letters and numbers that the SOS prescribes and be of a design as determined by the SOS. The word "Michigan" must appear on each Michigan Veterans Memorial registration plate. ("Michigan veterans memorial registration plate" means a registration plate containing a specialized design pertaining to Michigan veterans.)

An application for a veterans memorial plate must be submitted to the SOS pursuant to the Code's provisions on application for vehicle registration (MCL 257.217). Application for an original or renewal veterans memorial plate must be accompanied by payment of the regular vehicle registration tax in addition to the following: \$25 for an original plate and a service fee of up to \$10, as determined by the SOS; and a \$10 service fee for renewal of a veterans memorial registration plate.

A veterans memorial plate will expire as described in the Code (MCL 257.226). Upon the issuance or renewal of a veterans memorial plate, the SOS may issue a tab or tabs designating the month and year of expiration.

The SOS may issue a temporary registration permit to a person who submits an application and the proper payments for a veterans memorial registration plate if the applicant's current vehicle registration will expire before he or she receives a veterans memorial registration plate. The temporary registration will expire upon receipt of a veterans memorial plate or 60 days after the plate is issued, whichever occurs

first. The temporary permit must be issued without a separate fee.

Veterans memorial registration plate service fees collected under the bill must be identified and segregated by the SOS into a separate account. After deducting the manufacturing and administrative costs of the SOS, including administrative costs associated with issuing, replacing, and substituting plates, the SOS must transfer on a quarterly basis all of the donations and the balance of the veterans memorial registration plate service fees to the State Treasurer. The Treasurer must credit the fee money to the Vietnam Veterans Memorial Monument Fund, created in the Michigan Vietnam Veterans Memorial Act. These funds must be used exclusively for the purposes described in that Act.

MCL 257.217d

#### ARGUMENTS

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### Supporting Argument

Individuals who are former prisoners of war (POWs), and those who are totally disabled veterans of war, are exempt from payment of vehicle registration fees for special registration plates. The bill extends the same exemption to recipients of the Medal of Honor. Apparently there are two Medal of Honor recipients who reside in Michigan and were honored for their acts of self-sacrifice during the Korean War. As a token of appreciation for their extraordinary service, the State should exempt Medal of Honor recipients, just as former POWs and totally disabled veterans, from vehicle registration fees when they obtain a special registration plate issued in their honor.

**Supporting Argument**

Under the bill, motorists will be able to purchase a veterans memorial registration plate and service fees for the plate must be credited to the Vietnam Veterans Memorial Fund, which is created in the Michigan Vietnam Veterans Memorial Act. The Act also establishes a nine-member Vietnam Veterans Memorial Monument Fund Commission to oversee the financing and construction of a memorial monument dedicated to Vietnam veterans from Michigan who died or are listed as missing in action as a result of the Vietnam conflict. The monument is to be located on State-owned land situated generally west of the Capitol, midway between Allegan and Ottawa Streets. According to officials at the Department of Military and Veterans Affairs, the Fund totals approximately \$2.3 million, including \$1.5 million in State appropriations. Ground-breaking for the monument is expected to take place in May 2001, around Memorial Day, with the construction taking place during the summer and dedication occurring in October or November 2001. Under the Act, any money remaining in the Fund after the monument has been constructed is to be credited to the Department of Management and Budget for the construction and maintenance of all veterans' monuments in the State.

Furthermore, in addition to purchasing specialty plates for the Vietnam Veterans Memorial Monument, as well as to support the Olympic Training Center, motorists will be able to buy plates supporting other causes, including public universities, wildlife, and lighthouses, under recently enacted legislation.

Legislative Analyst: L. Arasim

**FISCAL IMPACT**

There are very few living Congressional Medal of Honor recipients in the State. The provisions of this bill will have a minimal fiscal impact on the State.

Fiscal Analyst: C. Thiel

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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.

