

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5362 (as passed by the House)
Sponsor: Representative Paul Gielegem
House Committee: Commerce
Senate Committee: Transportation and Tourism

Date Completed: 5-21-02

CONTENT

The bill would amend the Michigan Vehicle Code to require the Secretary of State to charge a \$10 fee for each special plate issued to a manufacturer, dealer, or transporter of vehicles under Section 244 of the Code. The bill would take effect on July 1, 2002.

Currently, the Secretary of State is required to charge \$30 for two special plates, \$15 for a third plate, and \$8 for each additional plate.

(Section 244 allows vehicle manufacturers, dealers, and transporters to operate or move vehicles otherwise required to be registered, if the vehicles display a special plate. A manufacturer may operate or move a vehicle for the purposes of transporting or testing or in connection with a public civic event or a golf tournament. A transporter may operate or move a vehicle solely to deliver it.)

MCL 257.803

Legislative Analyst: Claire Layman

FISCAL IMPACT

The Department of State reports mathematical errors in the remittance of license plate fees that require staff time and postage to correct. The bill would simplify the calculation of the fees. The Department reports that 65,732 dealer plates were issued in FY 2000-01, resulting in collections of approximately \$645,000 for the Michigan Transportation Fund. The bill would have resulted in fee collections of \$657,320, an increase of \$12,320. According to the Department, most dealers are issued between 10 and 20 license plates under this section. A dealer issued 11 or fewer plates would realize a small savings, while dealers with 11 or more plates would pay slightly more in fees.

Fiscal Analyst: Jessica Runnels

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