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H.B. 4330: FLOOR ANALYSIS

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House Bill 4330 (as reported without amendment)

Sponsor: Representative Gary Woronchak

House Committee: Transportation Senate Committee: Transportation

CONTENT

The bill would amend the Michigan Vehicle Code to allow the spouse of a former prisoner of war to obtain a special registration plate; and limit the number of EX-POW registration plates to one person in any household.

Under the Code, a person who has been a prisoner of war may apply to the Secretary of State (SOS) for a special registration plate that is inscribed with special identification numbers preceded by the letters "EX-POW", and has the words "ex-prisoner of war" beneath the registration number. Under the bill, the spouse of a person who had been a prisoner of war also could apply for the special plate.

Section 801 of the Code establishes a schedule of taxes based on empty weights that a person must pay to the SOS upon registration of a vehicle. Currently, a person is entitled to one "EX-POW" registration plate that is exempt from payment of the tax. Under the bill, the limit would apply to one person in any household.

MCL 257.803e Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill could result in a loss in State revenue credited to the Michigan Transportation Fund (MTF) associated with the provision allowing the spouse of person who had been a prisoner of war to apply for a tax-exempt registration plate. The loss of State revenue would be contingent on the number of individuals who applied for and received a tax-exempt registration plate. The bill would limit the number of tax-exempt EX-POW plates to one per household. Currently, the Department of State reports that approximately 1,000 of these tax-exempt plates are issued annually. Each additional tax-exempt plate would reduce revenue to the MTF by \$73 (average annual passenger registration tax). Revenue in the MTF is statutorily allocated to the Comprehensive Transportation Fund (10%), State Trunkline Fund (35%), county road commissions (35%), and cities and villages (20%). The loss in MTF revenue would be distributed based on the same percentages.

Date Completed: 6-3-03 Fiscal Analyst: Craig Thiel