Legislative Analysis



Mary Ann Cleary, Director Phone: (517) 373-8080 http://www.house.mi.gov/hfa

VEHICLE REGISTRATION PLATES – 10 YEAR EXPIRATION; DIGITAL PRINTING METHOD

House Bill 4633 (Substitute H-4) Sponsor: Rep. Wayne Schmidt

Committee: Transportation and Infrastructure

Complete to 6-18-13

SUMMARY OF HOUSE BILL 4633 (H-4) AS REPORTED FROM COMMITTEE 6-13-13

Section 224 of the Michigan Vehicle Code authorizes and defines the vehicle registration plate program of the Michigan Secretary of State. <u>House Bill 4633 (H-4)</u> would amend Section 224 (MCL 257.224) to direct that beginning January 1, 2015, a registration plate issued by the department could not be renewed <u>ten years</u> after the date the registration plate was issued. Currently, registration plates are valid until such time as they become illegible and are ticketed by law enforcement.

The vehicle owner whose registration plate had expired would be required to obtain a replacement registration plate upon payment of the fee required under Section 804 (\$5.00) for replacement of the expired plate. The bill also authorizes the department to issue, upon request of the owner, the same registration plate number as the expired plate, as provided under Section 803b, the section dealing with personalized registration plates.

The bill as introduced had required the Secretary of State to begin using a digital printing method no later than January 1, 2015. <u>House Bill 4633 (H-4)</u> provides for the Secretary of State, in conjunction with the Department of Corrections, the Michigan State Police, the Michigan Sheriff's Association, one individual appointed by the Speaker of the Michigan House of Representatives, and one by the Senate Majority Leader to report on the viability of moving from the current registration production process to a digital printing method. The bill requires that the report be submitted to the House and Senate standing committees on transportation no later than December 31, 2013.

The bill designates an effective date of December 1, 2013.

FISCAL IMPACT:

<u>House Bill 4633 (H-4)</u> indicates that, beginning January 1, 2015, a registration plate issued by the department could not be renewed <u>ten years</u> after the date the registration plate was issued. Currently, registration plates are valid until such time as they become illegible and are ticketed by law enforcement.

The bill provides for the payment of a registration service fee under Section 804 (\$5.00) for replacement of the expired plate. The bill also authorizes the department to issue,

upon request of the owner, the same registration plate number as the expired plate, as provided under Section 803b, the section dealing with personalized registration plates.

The department last implemented a general reissue of standard registration plates in 2007 as a result of the provisions of 2006 PA 177. At that time, Public Act 177 prohibited the department from issuing standard beads-on-paint plates, or tabs for standard beads-on-paint plates, but instead required the department to issue reflectorized plates. These provisions effectively required the department to reissue all standard plates. The costs of the reissue were supported by an \$11.0 million supplemental appropriation from the Michigan Transportation Fund.

House Bill 4633 (H-4) would <u>not</u> require a general reissue of registration plates but would instead require the issuance of a new registration plates, beginning January 1, 2015, only for plates that were at least ten years old. The department indicates that the costs of this *rolling* plate reissue would be covered through the service fees provided under Section 804.

Legislative Analyst: E. Best Fiscal Analyst: Paul Holland

William E. Hamilton

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.