



ANALYSIS

Telephone: (517) 373-5383 Fax: (517) 373-1986

House Bill 5422 (Substitute H-1 as reported without amendment)

Sponsor: Representative Pete Lund

House Committee: Transportation and Infrastructure

Senate Committee: Transportation

CONTENT

The bill would amend the Michigan Vehicle Code to require the Secretary of State (SOS) to waive the late fee for a vehicle registration tax if: a) the registrant presented proof of storage insurance for the vehicle for which the late fee was assessed that was valid for the period of time between the expiration date of the most recent registration and the date of application for the renewal, and b) the registrant requested in person at a Department of State branch office that the late fee be waived at the time of application for the renewal.

(Under the Code, if the SOS does not receive a required vehicle registration tax by the expiration date of the registration plate, the SOS must collect a late fee of \$10 for each registration renewed after the expiration date.)

MCL 257.801 Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill could have a negative fiscal impact on the amount of revenue deposited into the State's General Fund. The amount is indeterminate and dependent on the number of vehicles affected by the bill. Based on recent data, the State collects about \$10.0 million in late registration fees annually. The amount of revenue that would be forfeited each year would depend on the number of vehicles that would become exempt from the late fee.

Date Completed: 12-3-14 Fiscal Analyst: Joe Carrasco