



Senate Fiscal Agency
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House Bill 5422 (Substitute H-1 as passed by the House)
Sponsor: Representative Pete Lund
House Committee: Transportation and Infrastructure
Senate Committee: Transportation

Date Completed: 11-12-14

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 the registrant presented a valid proof of storage insurance and requested the waiver.

Under the Code, if the Secretary of State 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.

The bill would require the SOS to waive the late fee 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 Department of State branch office that the late fee be waived at the time of application for the renewal.

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.

Fiscal Analyst: Joe Carrasco

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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.