



ANALYSIS

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House Bill 4306 (Substitute H-3 as reported without amendment)

Sponsor: Representative Jim Tedder

House Committee: Transportation and Infrastructure

Senate Committee: Transportation

## **CONTENT**

The bill would amend the Michigan Vehicle Code to increase the fee for an original motorcycle endorsement and a renewal of a motorcycle endorsement on an operator's or chauffeur's license, and the motorcycle registration tax, as shown in the following table.

Motorcycle Endorsement Fee	Current Amount	Proposed Amount
or Registration Tax		
Original Endorsement Fee	\$13.50	\$16
Endorsement Renewal Fee	\$5	\$7
Registration Tax	\$23	\$25

In addition, the bill would do the following:

- -- Create the "Motorcycle Safety and Education Awareness Fund" within the State Treasury.
- -- Require \$2.50 of each original motorcycle endorsement fee and \$2 of each motorcycle endorsement renewal fee to be placed in the Fund.
- -- Require the Secretary of State (SOS) to spend money from the Fund for the purpose of creating and maintaining a "Look Twice Save a Life" program.
- -- Increase, from \$3 to \$5, the amount from a motorcycle registration tax payment that must be placed in the Motorcycle Safety Fund for the Motorcycle Safety Education Program.

MCL 257.312c & 257.801

Legislative Analyst: Drew Krogulecki

## FISCAL IMPACT

The bill would increase revenue received by the Department of State as a result of the increased fees for original or renewal motorcycle endorsements. According to the Department, the increased endorsement fees would generate an estimated \$250,000 in additional revenue. The amount collected in FY 2015-16 from motorcycle endorsements totaled an estimated \$720,000.

Also, the proposed \$2 increase in the motorcycle registration tax would raise an estimated additional \$520,000. In FY 2015-16, approximately 260,000 motorcycle registrations generated almost \$6.0 million, of which \$780,000 was deposited into the Motorcycle Safety Fund.

Date Completed: 6-16-17 Fiscal Analyst: Joe Carrasco