



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 269 (as reported without amendment)
 Sponsor: Senator Doug Carl
 Committee: Transportation and Tourism

Date Completed: 5-26-95

RATIONALE

Under the Michigan Vehicle Code, if a registration plate is lost or mutilated or becomes illegible, the vehicle owner must apply to the Department of State for a duplicate or replacement plate and pay a \$5 fee. In some cases, a license plate or tab may be damaged or destroyed through no fault of the owner--if the plate is vandalized, for example, or the vehicle is "rear-ended". Some people believe that, in this sort of situation, a vehicle owner should be exempt from the required fee.

CONTENT

The bill would amend the Michigan Vehicle Code to provide that the \$5 fee required by the Code for a duplicate or replacement license plate would not have to be paid, if the application for the duplicate or replacement plate were accompanied by a copy of a law enforcement agency report indicating that the previous license plate or tab was destroyed or rendered illegible by the action of a person other than the applicant.

MCL 257.804

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

A person should not have to pay a fee to replace a license plate or tab that was damaged or destroyed through no fault of his or her own. By creating an exemption for this sort of situation, the bill would reduce the hardship experienced by a vehicle owner who must get a new plate due to someone else's action. By requiring an application

to be accompanied by a police report, the bill would ensure that this exemption was not abused.

Legislative Analyst: S. Margules

FISCAL IMPACT

The bill would result in a revenue loss to the Michigan Transportation Fund. The Department of State issued 85,308 replacement plates and 76,862 replacement tabs in FY 1993-94. No statistics are available regarding the number of replacements due to destruction by persons other than the applicant.

Fiscal Analyst: B. Bowerman

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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.