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CHANGE EXPIRATION DATE FOR LEGISLATORS' LICENSE PLATES

House Bill 5565 as introduced First Analysis (10-4-00)

Sponsor: Rep. Laura Toy Committee: Transportation

THE APPARENT PROBLEM:

Currently legislators' vehicle registration plates expire during their birth month, as is the case for all Michigan residents. However, legislators sometimes purchase specialty license plates that contain the letters REP or SEN, accompanied by the number of their legislative district.

Both Senate and House terms of office end in December, at the end of a calendar year. Consequently a retired legislator sometimes has a specialty license plate on his or her automobile after leaving office. Currently, the retired legislator must exchange the specialty plate for a regular vehicle license plate, and the amount of their refund and new license plate fee is hand-calculated by the Office of the Secretary of State.

Legislation has been proposed to allow the Office of the Secretary of State to simply swap plates and numbers, with no interruption in licensing or needless recalculation of fees for the refund and subsequent partial year purchase.

THE CONTENT OF THE BILL:

House Bill 5565 would amend the Michigan Vehicle Code to change the expiration date for legislators' license plates.

Under the law, the secretary of state may issue to legislators a special registration plate bearing the letters "SEN" or "REP", and the expiration date for those plates is February 1. Further, the secretary of state may issue a special registration to members of the United States Congress from Michigan, and the expiration date for those plates is January 31. The law also requires that in the case of an original application for the registration plates bearing the letters "SEN" and "REP", the secretary of state issue a refund prorated on a monthly basis from the date of application for the time period remaining in the previously issued registration. House Bill 5565 would delete these provisions.

Under House Bill 5565, the secretary of state could issue a special registration to a member of the United States Congress from Michigan, or to a member of the Michigan legislature. These special registrations would expire on the last day the legislator served in office, and would be immediately exchanged by the secretary of state.

Currently under the law, the owner of a registered vehicle who transfers or assigns title or interest in the vehicle can get a refund on the registration for each unused, whole registration period remaining on the registration from the date the plates are returned and the application for a refund is made. House Bill 5565 would change this provision and instead specify that a full refund on the registration for the whole registration period remaining on the registration could be obtained if both of the following applied: a) the registration period was for 12 months; and, b) the owner returned the registration plate or tab to the secretary of state not more than 30 days after the vehicle was transferred or assigned. However, the bill specifies that if the plate or tab was issued under section 801g, a refund could not exceed the total amount of the Michigan apportioned fees assessed for the plate or tab. (Section 801g is the new section of the code proposed by the bill that would allow the secretary of state to issue special registrations to members of the United States Congress and the Michigan legislature, and that establishes the new expiration date of those plates.)

MCL 257.226 et al

FISCAL IMPLICATIONS:

The House Fiscal Agency notes that the Department of State may realize some administrative efficiencies by the passage of this bill but the fiscal impact would be negligible. (10-2-00)

ARGUMENTS:

For:

This legislation would save the Office of the Secretary of State time and money. Simply swapping plates and numbers would avoid the needless recalculation of fees for the partial year refund and purchase of a new plate. This legislation would simplify an unnecessarily complicated process, and proposes no changes in license plate fees.

POSITIONS:

A representative of the Office of the Secretary of State testified in support of the bill. (10-3-00)

Analyst: J. Hunault

[#]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.