

Fiscal Analysis

MICHIGAN VEHICLE CODE – FUND RAISING PLATES AND TRAILER REGISTRATION TAXES/FEES



Bill/Sponsor

SENATE BILL 785 (H-3) as reported, Sen. Bruce Patterson

House Committee

Transportation

Analysis**Summary**

Senate Bill 785 would amend various sections of the Michigan Vehicle Code related to trailer registration taxes, fees assessed on trailer coach registrations, and fund-raising plates.

Fiscal Impact

The bill would have an indeterminate fiscal impact. See the House Fiscal Agency Committee Analysis dated December 2, 2003 for a detailed analysis of the bill. See below for a discussion of the how the Committee substitute, SB 785 (H-3), differs from the bill as passed the Senate.

Trailer Fees/Taxes

The H-3 substitute further clarifies Section 801(1)(l) of the Michigan Vehicle Code regarding the effective date of the provision which exempts persons from paying the taxes under the subsection more than once.

Fund Raising Plates

Sales Goals - Section 811h of the bill, as passed the Senate, would establish minimum sales goals for fund-raising plates. The sales requirements would be 2,000 plates in the first year, and 500 plates in the second and each subsequent year. The Secretary of State could cease to issue fund-raising plates that failed to meet these goals. The bill would permit the Secretary of State to continue to renew fund-raising plates already issued and to collect the renewal fund-raising donations for those plates.

The H-3 substitute clarifies this section to indicate that the sales goals would only apply to fund-raising plates issued after the amendatory act created by the bill. The sales goals would not apply to the currently authorized fund-raising plates. The H-3 substitute would also extend the period for measuring sales goals. Fund raising plates would have to sell 2,000 plates in the first year, and 500 plates in the second and subsequent year for 5 years. This effectively establishes a 6-year sales period for all new fund-raising plates.

Sunset - Public Act 77 of 2000, which established the fund-raising plate program, included a repealer; the authority for issuing the fund-raising plates under Section 811e would expire on October 1, 2005. SB 785, as passed the Senate, eliminated this sunset provision. The H-3 substitute would repeal all the fund-raising plate sections (811d, 811e, 811f, 811g, 811h, 811i, 811j,

811k, 811l, 811m, 811n, 811o, 811p) 5-years after the effective date of the act created by the bill.

Analyst(s)

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FLOOR ANALYSIS - 12/10/03

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