

Fiscal Analysis

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



Bill/Sponsor	SENATE BILL 785 (H-6) as passed the House, Sen. Bruce Patterson
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House Committee	Transportation
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Analysis	<p>Summary</p> <p>Senate Bill 785 would amend various sections of the Michigan Vehicle Code (PA 300 of 1949) related to trailer registration taxes, fees assessed on trailer coach registrations, and fund-raising plates.</p>
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Fiscal Impact

The bill would have an indeterminate fiscal impact. See the House Fiscal Agency Committee Analysis dated December 2, 2003, and the House Fiscal Agency Floor analysis dated December 12, 2003, for a detailed analysis of the bill. See below for a discussion of specific provisions of the H-6 substitute, as passed the House.

Analysis

The H-6 substitute differs from the H-3 Committee substitute as follows:

Technical correction – The H-6 substitute corrects the reference made in the Section 811d definitions to “chapter,” rather than “section.”

Authorization date – The H-6 substitute (Section 811e) authorizes the Secretary of State to develop fund-raising plates beginning May 1, 2004. In the H-3 substitute, and the Senate-passed bill, this authorization date had been January 1, 2004.

Start-up fees – Both the Committee substitute and the Senate-passed bill provide for the collection of a \$15,000 start-up fee to be used for the cost of creating, producing, and issuing new fund-raising plates (Section 811e). Both these versions of the bill provided for payment of this fee within a six-month period. The H-6 substitute would require payment within eighteen months.

Reporting requirement – The H-6 substitute adds subsection (8) to Section 811h to require that organizations receiving fund-raising donations under the program report annually to the state treasurer on expenditures of money received under the program.

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. The H-6 substitute is consistent with the Senate-passed bill in eliminating this sunset provision. (The H-3 substitute had included new sunset provisions which are not

adopted in the H-6 substitute.)

Analyst(s)

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REVISED FLOOR ANALYSIS - 2/13/04

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