

REMOVE LICENSE PLATE SERVICE FEE FOR CERTAIN MILITARY SERVICE MEMBERS

Phone: (517) 373-8080
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House Bill 5678 (H-1) as reported from committee
Sponsor: Rep. Bradley Slagh
Committee: Military, Veterans and Homeland Security
Complete to 3-13-22

Analysis available at
<http://www.legislature.mi.gov>

(Enacted as Public Act 143 of 2022)

SUMMARY:

House Bill 5678 would amend the Michigan Vehicle Code to allow certain service members of the United States Armed Forces to apply for or renew a special registration plate without being required to pay a service fee for the plate.

Currently under the act, application for a special registration plate denoting military service must be made on a form prescribed by the secretary of state and be accompanied by any proof that the applicant is eligible for the plate as the Secretary of State may require. A \$5 service fee is required when applying for a special registration plate or when the secretary of state issues new plates for a special registration plate renewal. The bill would remove the fee requirement and instead provide that an application for or renewal of the following special registration plates cannot require a service fee:

- Congressional Medal of Honor (section 217d; the secretary of state must currently waive the \$5 service fee requirement, and the bill would remove this language).
- Ex-prisoner of war or a person whose spouse was a prisoner of war (section 803e(1)).
- World War I veteran (section 803e(2)).
- Pearl Harbor survivor (section 803e(3)).
- Recipient of the Purple Heart Medal (section 803e(4)).
- Gold Star Family member¹ or Blue Star Family member² (section 803e(5)).
- Disabled veteran (section 803f(1)) or surviving spouse of a disabled veteran (section 803f(5)).
- National Guard member (section 803i(1)).
- United States Armed Forces Reserve member (section 803i(2)).
- Retired member of, or a person with an honorable discharge from, any branch of the United States Armed Forces (section 803i(3)).
- Korean War veteran or a person whose spouse was a Korean War veteran (section 803j).
- Vietnam War veteran or a person whose spouse was a Vietnam War veteran (section 803k).

¹ A person who had an immediate family member die while serving in the United States Armed Forces or in forces incorporated as part of the United States Armed Forces if the member meets any of the eligibility criteria specified in 10 USC 1126(a)(1) to (3). (<https://www.law.cornell.edu/uscode/text/10/1126>)

² A person who is currently serving in the United States Armed Forces or in forces incorporated as part of the United States Armed Forces or a person who has an immediate family member serving in the United States Armed Forces or in forces incorporated as part of the United States Armed Forces. Immediate family member means a parent, stepparent, adoptive parent, foster parent standing in loco parentis, child, stepchild, adopted child, sibling, half-sibling, spouse, or grandparent.

- World War II veteran or a person whose spouse was a World War II veteran (section 803l).
- Persian Gulf War veteran or a person whose spouse was a Persian Gulf War veteran (section 803n(1)).
- Grenada, Panama, or Lebanon conflict veteran or a person whose spouse was a Grenada, Panama, or Lebanon conflict veteran (section 803n(2)).
- A veteran who was called to active duty during a declared war or armed conflict or a person whose spouse was a veteran who was called to active duty during a declared war or armed conflict (section 803o).

MCL 257.217d et seq.

BRIEF DISCUSSION:

Committee testimony discussed the importance to Michigan of all veterans and of honoring Michigan veterans. One way of doing so is through special registration plates for vehicles, but to obtain these plates veterans must pay an additional fee. The bill was advanced in committee testimony as a way to help honor veterans by removing the additional fee for the special registration plates described above.

FISCAL IMPACT:

House Bill 5678 would decrease state restricted fee revenue to the Department of State by approximately \$73,000 annually. All fees eliminated by the bill are currently deposited into the Transportation Administration Collection Fund (TACF) to support various needs of the Secretary of State for administering vehicle registrations.

Fiscal Year 2020-21 Military License Plate Revenue

| <u>Plate</u> | <u>FY 2020-21 Revenue</u> | <u>Number</u> |
|------------------------------|---------------------------|---------------|
| Congressional Medal of Honor | \$0 | 0 |
| Gold Star Family Member | 220 | 44 |
| Ex-POW | 15 | 3 |
| World War I Veteran | 0 | 0 |
| World War II Veteran | 20 | 4 |
| Korean War Veteran | 200 | 50 |
| Vietnam War Veteran | 3,200 | 640 |
| Pearl Harbor Survivor | 0 | 0 |
| Purple Heart Recipient | 870 | 174 |
| Blue Star Family Member | 255 | 51 |
| Disabled Veteran | 14,295 | 2,859 |
| Military Reserve Service | 110 | 22 |
| National Guard Service | 975 | 195 |
| <u>Foreign Wars Service</u> | <u>52,890</u> | <u>10,578</u> |
| Total | \$73,050 | 14,610 |

POSITIONS:

The Department of State indicated support for the bill. (3-1-22)

Legislative Analyst: Emily S. Smith
Fiscal Analyst: Michael Cnossen

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.