



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5678 (Substitute H-1 as passed by the House)
Sponsor: Representative Bradley Slagh
House Committee: Military, Veterans and Homeland Security
Senate Committee: Transportation and Infrastructure

Date Completed: 5-11-22

CONTENT

The bill would amend the Michigan Vehicle Code to delete various provisions requiring service members and veterans to pay a \$5 service fee when applying for or renewing a veterans special registration plate, and to prohibit an application or renewal of a veterans special registration plate from requiring a service fee.

The Code provides for the issuance of special registration plates honoring all the following military service members and veterans:

- A person who was a prisoner of war or who spouse was a prisoner of war under Section 803e(1).
- A World War I veteran under Section 803e(2).
- A member of the United States Armed Services who is a Pearl Harbor survivor under Section 803e(4).
- A recipient of the Purple Heart Medal under Section 803e(4).
- A Gold Star Family member under Section 803e(5).
- A Blue Star Family member under Section 803e(5).
- A totally disabled veteran with an honorable discharge under Section 803f(1).
- A member of the National Guard under Section 803i(1).
- A member or former member of the United States Armed Forces Reserve under Section 803f(2).
- A member of the US Armed Forces who has retired or been granted an honorable discharge under Section 803f(3).
- A Korean War veteran or his or her surviving spouse under Section 803j(1).
- A Vietnam War veteran or his or her surviving spouse under Section 803k(1).
- A World War II veteran under Section 803l.
- A Persian Gulf War veteran or his or her surviving spouse under Section 803n(1).
- A person or his or her spouse who was a member of the US Armed Forces during the conflict in Grenada, the conflict in Panama, or the conflict in Lebanon under Section 803n(2).
- A person or his or her spouse who was a member of the Michigan National Guard, the US Armed Forces Reserve, or any branch of the US Armed Forces who was called to active duty during a declared war or an armed conflict in which the US was a participant under Section 803o(1).

An application or renewal for one of the special registration plates listed above must be accompanied by a \$5 service fee. The bill would delete this requirement and instead would

prohibit an application or renewal for a special registration plate from requiring a service fee under Section 804.

Section 217d allows a recipient of the Congressional Medal of Honor to apply to the Secretary of State for a special registration plate. The Secretary of State must waive the \$5 service fee under Section 804. The bill would delete reference to the \$5 service fee and would prohibit an application under Section 217d from requiring a service fee under Section 804.

Under Section 804, an applicant for a duplicate or replacement veterans special registration plate provided for in the Code must pay a \$5 fee. The bill would delete this requirement.

MCL 257.217d et al.

Legislative Analyst: Tyler P. VanHuysse

FISCAL IMPACT

The bill would decrease restricted revenue for the Department of State by an estimated \$75,000 annually. The elimination of the \$5 service fee currently paid for the specialty license plates would decrease revenue to the Transportation Administration Collection Fund (TACF) by an estimated \$75,000 for the Department based on fiscal year (FY) 2020-21 revenue collections. The TACF is a primary funding source for the Department's operational costs. Based on the FY 2020-21 data, just under 15,000 veterans specialty plates were issued in FY 2020-21. The three most-issued plates that provide a majority of the revenue from these specialty plates were Vietnam Veteran (640 plates), Disabled Veteran (2,859 plates), and Foreign Wars Service (10,578 plates).

Fiscal Analyst: Joe Carrasco, Jr.

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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.