

LEGACY REGISTRATION PLATES

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Senate Bill 464 (S-4) as passed by the Senate
Sponsor: Sen. Mallory McMorrow
House Committee: Transportation, Mobility and Infrastructure
Senate Committee: Transportation and Infrastructure
Complete to 10-30-23

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

SUMMARY:

Senate Bill 464 would amend the Michigan Vehicle Code to require the secretary of state to develop and issue three legacy registration plates for which an applicant would have to pay two fees in addition to the “regular registration fee” required under the code.

No later than one year after the bill takes effect, the secretary of state would have to develop and issue the following legacy registration plates:

- A blue registration plate that replicates a registration plate issued from 1983 to 2007.
- A black registration plate that replicates a registration plate issued from 1979 to 1983.
- A red, white, and blue registration plate that replicates a registration plate issued in 1976 for the United States Bicentennial. This plate would only be available for issue in the year 2026 to celebrate the United States Semiquincentennial (the 250th anniversary of the signing of the Declaration of Independence).

An individual would have to apply to the secretary of state under the current registration requirements of section 217. The bill would also require that, in addition to the “regular registration fee,” an application for a new legacy registration plate be accompanied by an additional \$50 fee and an additional \$5 service fee. The bill would designate the additional \$50 fee for credit to the Michigan Transportation Fund (MTF) established in 1951 PA 51. The bill directs the additional \$5 service fee for credit to the Transportation Administration Collection Fund (TACF).

The plates would expire as provided in section 226 of the code. For a registration renewal of an existing legacy registration plate, an additional fee of \$10 would be required, which would also be deposited in the MTF.

The secretary of state would have to determine the number of each legacy registration plate to be manufactured and issued.

The secretary of state could also cease to issue legacy registration plates and duplicate replacements of the plates. If the secretary of state were to do so, the secretary of state could continue to renew legacy registration plates already issued.

Proposed MCL 257.803s

FISCAL IMPACT:

As described above, Senate Bill 464 would require the secretary of state to develop and issue three legacy registration plates. The bill would require certain additional fees (i.e., fees in addition to the “regular registration fee”). The additional \$50 legacy plate registration fee for new registrations, and the additional \$10 fee for renewal legacy plate registrations, would be credited to the MTF, which is the primary collection and distribution fund for state restricted transportation revenue.

The bill would result in additional one-time costs to the Department of State to develop the three new legacy license plates. The exact cost to develop each plate is not yet known, but past costs to develop similar new specialty and fund-raising license plates and to make necessary computer programming changes have been up to \$90,000 per plate design. While the bill would require the secretary of state to develop and issue legacy registration plates, the election of legacy registration plates, as opposed to standard registration plates, would be optional for persons registering motor vehicles.

The \$5 service fee established for a new legacy registration plate would be directed for credit to the Transportation Administration Collection Fund, a state restricted fund primarily used to support secretary of state branch operations and vehicle registration programs. The bill requires that an application for a legacy license plate be submitted pursuant to the procedures prescribed in section 217 of the Michigan Vehicle Code and that the fee be “in addition to the regular registration fee.” Since there is no registration plate service transaction fee referenced in this section, the \$5 fee authorized under the bill would take the place of the existing transaction fee for all other standard plates and result in no additional revenue or costs.

The language of the bill is not unambiguous with respect to how the new legacy registration plate fees would affect the registration taxes established under section 801(1)(p). The bill indicates that the legacy plate registration fees are “in addition to the regular registration fee...” The language references “fee” in the singular and does not reference registration taxes. [It is understood, although not directly stated in the bill, that the legacy registration plates would be used for cars, vans, and light trucks subject to ad valorem registration taxes under section 801(1)(p) of the Michigan Vehicle Code.]

The bill’s impact on MTF revenue cannot be readily estimated at this time.

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■ 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.