

SFA

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

• (517) 373-5383

Senate Bill 705 (as reported without amendment)

Sponsor: Senator Norman D. Shinkle

Committee: State Affairs, Tourism, and Transportation

Date Completed: 3-1-90

RECEIVED

APR 18 1990

Mich. State Law Library

RATIONALE

Municipal volunteer fire department vehicles qualify under the Michigan Vehicle Code for registration plates that cost \$5 and are valid until they are worn out or illegible, rather than for a limited number of years. Nonprofit, privately incorporated volunteer fire departments, however, are required to pay \$10 to renew their vehicles' registration and must do so every five years. Since private, nonprofit volunteer fire departments provide the same type of services as municipal volunteer fire departments, some feel that the same discounted, indefinite vehicle registration should be available to both types of departments.

CONTENT

The bill would amend the Michigan Vehicle Code to allow privately incorporated, nonprofit volunteer fire departments to renew registration plates for their vehicles when the plates are worn out or illegible rather than every five years as is currently required. Further, the bill would allow the departments to purchase the plates for \$5 per set; currently the departments must pay \$10 per plate.

In addition, the bill specifies that the Motorcycle Safety Fund would be used to fund the motorcycle safety education program as provided in the sections of the Code that require passage of the safety course, establish the fund, and provide for courses given by schools, colleges, universities, law enforcement agencies, governmental agencies and private businesses. The Code, in specifying what the Fund may be used for now, does not refer to

the section that provides for courses conducted by private businesses.

MCL 257.224 and 257.801

FISCAL IMPACT

The bill would have an indeterminate impact on State and local government. The revenue loss to the State would depend on the number of privately incorporated nonprofit volunteer fire departments that currently are required to renew registration plates every five years.

ARGUMENTS**Supporting Argument**

Volunteer fire departments, regardless of whether they are owned municipally or privately, provide essential services to many Michigan communities on very limited budgets. Private nonprofit volunteer fire departments should not have to meet a greater financial burden to register their vehicles with the State simply because they aren't owned and operated by a municipality. Other vehicles that qualify for the proposed renewal option and \$5 fee are vehicles owned and operated by the State, State institutions, municipalities, and nonpublic, nonprofit colleges and universities

Legislative Analyst: P. Affholter

Fiscal Analyst: B. Bowerman

A8990\S705A

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.