



**House
Legislative
Analysis
Section**

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REGISTRATION FEE CYCLE

RECEIVED

House Bill 4514 as enrolled
Revised Second Analysis (12-3-87) FEB 04 1988

Sponsor: Rep. Burton Leland State Law Library
House Committee: Transportation
Senate Committee: State Affairs, Tourism, and
Transportation

THE APPARENT PROBLEM:

The transportation funding package currently before the legislature to update the transportation formula contains a fee increase for one-year registrations of commercial vehicles of certain gross vehicle weights. It is likely that the registration fee increase would come in the middle of the fee cycle for one-year registrations. If the fee increase did come in mid-cycle it could result in registrants paying different fees for the same registration, in that persons registering before the package was enacted would pay one fee and those registering after the package was enacted would pay a higher fee. In order to avoid this problem a bill is needed which would prohibit one-year registrations from taking place before December 31, 1987. By then it is expected that the transportation package will have been enacted and the secretary of state will know which registration fee to charge.

THE CONTENT OF THE BILL:

The bill would amend the Michigan Vehicle Code to change the beginning registration date for commercial vehicles from October 1 to "after December 31, 1987" for 1988 registrations.

MCL 257.226

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, the bill would have no fiscal implications to the state. (10-6-87)

ARGUMENTS:

For:

Registration for one-year commercial vehicle registrations occurs during a specific time period each year. Without the bill, some registrants will pay more for fees than others if an anticipated fee increase is put into effect before the end of the year. This could result in legal action against the state charging unfair treatment of the registrants who pay the higher fees. The bill avoids this possibility by changing the date of registration so that no registrations would be issued until the proposed fee increase was either enacted or rejected.

Against:

If registration is delayed until December, the Department of State will only have two months to complete a process that normally takes five months. This will put a strain on employees and cause unnecessary inconvenience for registrants.

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