

SFA



BILL ANALYSIS

RECEIVED

OCT 23 1987

Senate Fiscal Agency

Lansing, Michigan 48909

(517) 373-5383

Mich. State Law Library

**House Bill 4594** (as reported without amendment)

Sponsor: Representative Joseph F. Young, Jr.

House Committee: Transportation

Senate Committee: State Affairs, Tourism, and Transportation

Date Completed: 10-8-87

**RATIONALE**

Many organizations have requested that the Secretary of State sell official Michigan commemorative vehicle license plates to be used in connection with various civic events. Also, members of Congress from Michigan have requested special registration plates for the State Congressional delegation. The Secretary of State has suggested that legislation be enacted to address these issues.

**CONTENT**

The bill would amend the Michigan Vehicle Code to allow certain groups to apply to the Secretary of State for the issuance of official commemorative civic event license plates for those vehicles associated with the civil event. The bill would also allow the Secretary of State to issue a special vehicle registration to a member of the United States Congress from Michigan.

Commemorative License Plate Application

A private corporation, association, club, or organization, or an agency of government that sponsored a civic event, that wished to have certain vehicles associated with it display a special license plate, could apply to the Secretary for the issuance of official commemorative civic event plates for those vehicles. The application would have to be on a form prescribed and furnished by the Secretary and contain all of the following information:

- An indication of the nature, date, and duration of the civic event.
- The name, business address, and telephone number of each sponsor of the civic event.
- Number of plates desired.
- A proposed design.
- Other information considered necessary by the Secretary of State.

The Secretary would have to approve an application unless he or she determined that the civic event was potentially disruptive or that the applicant had previously misused a commemorative civic event plate. If an application were approved, the Secretary would have to review the proposed commemorative civic event plate design and could modify its form and contents in any way. The Secretary could not approve a plate design that could be "offensive to good taste and decency". The final design would have to include space for the name of the state and word "commemorative".

Manufacture and Cost

The Secretary would have to provide for the manufacture of the approved plates and could contract with Michigan Correctional Industries or with a private vendor for the

manufacture of the plates. Prior to their manufacture, the Secretary would have to determine the costs associated with the design modification, contracting, administration, toolmaking, manufacture, handling, and delivery of the plates. A fee that equaled the determined cost would have to be charged for the plates, and the applicant would have to pay 50% of the fee before manufacture, and pay the balance in full before delivery could be made. Individual plate users could be required to reimburse the applicant for a pro rata portion of the determined cost. The fee received for plates by the Secretary would have to be deposited in the State General Fund.

A commemorative civic event plate could not be attached to the rear of a vehicle, and a person who did so would be responsible for a civil infraction.

Congressional Registration

The Secretary could issue a special vehicle registration to a member of the United States Congress from Michigan. The fee for registration would be in accordance with standard registration fees, and the expiration date of such a registration would be January 31.

**FISCAL IMPACT**

This bill would have no fiscal impact on State or local government. The costs of designing and manufacturing commemorative plates are to be paid by plate applicants.

**ARGUMENTS****Supporting Argument**

A number of organizations have requested that the Secretary of State be permitted to sell official Michigan commemorative plates to be used in connection with civic events. The Secretary of State presently does not have the authority to sell commemorative plates. Commemorative plates would be used for recognition purposes only and not as a vehicle registration.

**Supporting Argument**

The bill would authorize the Secretary of State to issue a special registration to be purchased by members of Michigan's delegation to Congress. Most other states already have the authority to issue such special registrations to their members of Congress. Michigan should enact this legislation in order to accommodate its Congressional delegation.

**Opposing Argument**

Commemorative plates are readily available through the

H.B. 4594 (10-8-87)

private sector, and without the restrictions proposed in the bill. The bill could decrease business for private firms while adding to the workload of the Secretary of State without generating revenues over and above the costs of producing and distributing these plates.

**Response:** Since the Secretary of State could contract with private industry to manufacture the commemorative civic event plates, it is not necessarily true that the bill would have a negative effect on Michigan businesses producing commemorative plates.

### ***Opposing Argument***

This year Michigan is celebrating its 150th year of statehood. Many other states have sold official vehicle registration plates commemorating their sesquicentennials, and Michigan residents should also be able to purchase such plates as part of the activities celebrating the State's 150th birthday. The bill should include a provision for official vehicle registration plates.

**Response:** It is not feasible to include such a provision in the bill because it would take too long to manufacture sesquicentennial plates. By the time that the plates became available the sesquicentennial year would be over.

Legislative Analyst: P. Affholter

Fiscal Analyst: B. Bowerman

---

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.