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BILL ANALYSIS

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House Bill 4711 (Substitute S-1 as reported)**Sponsor:** Representative Donald Van Singel**House Committee:** Transportation**Senate Committee:** State Affairs, Tourism, and Transportation**Date Completed:** 10-19-87**RATIONALE**

Under current law, owners of historic vehicles (a vehicle over 25 years old, used solely as a collector's item to participate in parades, club activities, exhibitions and similar uses) may obtain a permanent historic registration plate for a fee of \$10. Many owners feel that the Secretary of State's plates do not enhance the look of antiquity of their vehicles, and therefore would like to be able to use authentic antique registration plates which would fit with the "antique look" of their cars.

CONTENT

The bill would amend the Michigan Vehicle Code to allow the Secretary of State to issue to the owner of an historic vehicle either of the following registrations:

- An historical vehicle registration plate that would have to bear the inscription "Historical Vehicle-Michigan" and the registration number, as current law provides.
- A new, adhesive registration tab that could be attached to an authentic Michigan registration plate of the same year as the model year in which the vehicle was manufactured. The owner could use an authentic plate to which a tab was attached instead of an historical vehicle registration plate. The owner could purchase an authentic plate from another person.

A registration plate issued under the bill would expire on April 15th of the fifth year following the date of issuance; a registration issued prior to April 15, 1988, would expire on April 15, 1993. Currently, an historical vehicle registration plate is valid without renewal as long as the vehicle is in existence.

Current law requires a \$10 registration fee for an historical vehicle plate. Under the bill, the fee for historic vehicle plates would remain at \$10, and the fee for the new registration tabs also would be \$10. In addition, the bill provides that owners of historical vehicles who used authentic historical plates would have to fulfill the same certification and safety requirements that owners of historical vehicles currently follow. The Secretary of State could revoke registration if an historical vehicle were used for purposes other than those allowed by law or if the vehicle were not safe to operate on highways.

Under the Code, "historic vehicle" is defined as a vehicle that is over 25 years old and is owned solely as a collector's item and for participation in club activities, exhibitions, tours, and parades, but is not used for general transportation.

The bill would take effect April 15, 1988.

MCL 257.803a

SENATE COMMITTEE ACTION

The Senate committee adopted Substitute S-1 to the bill as passed by the House. The substitute provides that registration plates obtained under the bill would be valid for five years. Currently, an historic vehicle registration plate is valid without renewal as long as the vehicle is in existence.

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State government. The bill would increase costs for the State associated with the processing of authentic plates. These costs would be negligible, however.

ARGUMENTS**Supporting Argument**

The bill is desirable because it would give historic vehicle owners the freedom to use their own authentic plates that bear the same year as the model of the car. Thus, the authentic look of the car would be enhanced and the value could be increased because of the addition of the authentic plate.

Opposing Argument

The bill is unnecessary. If historic vehicle owners want to use authentic license plates, they can put the plates on the front of their vehicle. In addition, the bill would increase costs for the State by forcing the Secretary of State's office to establish special procedures for the processing of authentic plates. The Secretary of State's office estimates that it would cost approximately \$2.30 more to process historic plates under the bill than it costs now for regular historic plates, because owners would have to be given the option of which plate to choose. The State incurs enough costs as it is without having to provide additional services for special interest groups.

Response: The Secretary of State's offices currently process between 1,000 and 2,000 historic plates per year. Hypothetically, if the bill passed and 1,000 additional people registered authentic plates, processing costs would increase approximately \$2,300, thus, the costs to the State for implementation would be negligible.

Opposing Argument

As the bill is currently written it is conceivable that registration could be duplicated. For approximately the past 10 years the State has issued only one license plate per vehicle. Before this procedure was initiated two plates were issued. It is possible that a historic vehicle owner who legally purchased an authentic historic plate could use the duplicate of a plate already legally in use; thus, if one of

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the owners of the plates were stopped by a police officer for a traffic violation, confusion could result.

Response: Duplication of plates is a serious concern but one that is unwarranted in this instance. The number of present registrants of historic vehicles is so low that the possibility of plate duplication is almost nil.

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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.