



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 927 (Substitute S-1 as reported)
Sponsor: Senator Joel D. Gougeon
Committee: Transportation and Tourism

Date Completed: 5-2-96

RATIONALE

Currently, there are more than 13,000 historic vehicles registered in Michigan. To be designated a historic vehicle under the Michigan Vehicle Code, a vehicle must be more than 25 years old, and be owned solely as a collector's item to be used for participation in club activities, exhibitions, tours, parades, and similar uses but not for general transportation. Public Act 190 of 1987 amended the Code to provide two options for the registration of these vehicles: The Secretary of State may issue to an owner of one of these vehicles a historic vehicle registration plate that bears the inscription "historical vehicle - Michigan" and the registration number; or, an owner may use an authentic Michigan registration plate of the same year as the model year of the car as long as an adhesive registration tab is attached to the plate. In addition, a registration plate issued under the Act expires during the fifth year following the date of issuance. Before Public Act 190 was enacted, however, a historic vehicle registration plate was valid without renewal for as long as the vehicle existed. Some people contend that the "lifetime registration" should be restored for these vehicles, and that the Code should allow authentic antique registration plates to be used without adhesive registration tabs to maintain a vehicle's authentic historic appearance.

CONTENT

The bill would amend the Michigan Vehicle Code to:

- Increase from \$15 to \$35 the fee that must be paid by the owner of a historic vehicle applying for a historic vehicle registration plate or a registration of an authentic Michigan registration plate.
- Specify that a historic vehicle registration would be valid without renewal as long as the vehicle existed

and was owned by the registrant. Currently, a historic vehicle registration expires on April 15 of the fifth year after the date the registration has been issued.

- Permit the use of an authentic Michigan registration plate of the same year as the vehicle model (without a registration tab) instead of a historic vehicle registration plate, and specify that an authentically restored plate would be considered a registration plate.

Under the Code, the Secretary of State may issue to the owner of a historic vehicle a historic vehicle registration plate that bears the inscription "historical vehicle - Michigan" and the registration number. In addition, if the vehicle owner possesses an authentic Michigan registration plate of the same year as the model year in which the vehicle had been manufactured, the Secretary of State may issue a registration tab that may be attached to the authentic plate. The owner may use an authentic plate to which a registration tab is attached instead of a historic vehicle registration plate. The owner of a historic vehicle may purchase an authentic plate from another person for use pursuant to these provisions.

The bill would delete the provisions on registration tabs. The bill provides that the owner of a historic vehicle could use an authentic Michigan registration plate of the same year as the vehicle model year instead of a historic vehicle registration plate by presenting the authentic plate number and year to the Secretary of State at the time of registration. An authentically restored plate would be considered an authentic Michigan registration plate. The owner of a historic vehicle could purchase an authentic Michigan registration plate from another person.

MCL 257.803a

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Some owners of historic vehicles believe that the State reneged on an agreement when it required under Public Act 190 of 1987 the registration of a historic vehicle to be renewed every five years, thus ending the lifetime registration for these vehicles. The bill would restore this agreement by specifying that a historic vehicle registration would be valid without renewal, as long as the vehicle existed and was owned by the registrant.

Supporting Argument

Currently, a vehicle owner who possesses an authentic Michigan registration plate of the same year as the vehicle's model year may display this plate on the vehicle, as long as an adhesive registration tab is attached to the authentic plate. Some historic vehicle owners contend that the tab diminishes the authentic look of the registration plate and of the entire vehicle. The bill would permit the use of an authentic plate, but without a registration tab. Thus, the authentic look of a historic car would be enhanced.

Legislative Analyst: L. Arasim

FISCAL IMPACT

Currently, there are 13,139 historic vehicles registered in Michigan. The average annual revenue generated from these registrations is \$39,417. Assuming that the average ownership of historic vehicles is 10 years, the increase in the registration fee would generate an additional \$6,500 annually to the Michigan Transportation Fund.

Fiscal Analyst: B. Bowerman

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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.