

Legislative Analysis



CUSTOMIZATION OF MILITARY SPECIALTY LICENSE PLATES

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4450 (Substitute H-1)
Sponsor: Rep. Jacob Hoogendyk
Committee: Transportation
First Analysis (5-4-04)

BRIEF SUMMARY: House Bill 4450 would amend the Michigan Vehicle Code to allow for the customization of military related specialty license plates. If enacted, it would take effect January 1, 2006.

FISCAL IMPACT: The Department of State indicates that there would be significant programming costs associated with the development of personalized military veterans registration plates, as authorized by the bill. Those costs are not readily determinable at this time.

THE APPARENT PROBLEM:

Currently under the law, the Office of the Secretary of State may issue one personalized license plate for use on a motorized vehicle. The plates must bear letters and numbers prescribed by the secretary of state, and not have a connotation offensive to good taste and decency. The plates can be purchased with a \$30 annual fee. A second duplicate plate can be purchased for an additional \$5 service fee, and the application for renewal of the plate with a \$15 service fee. The service fees are paid in addition to the regular vehicle registration fee.

The Office of the Secretary of State also issues specialty license plates to military veterans who have served as soldiers during wartime, upon payment of a \$5 service fee. Specialty license plates are available for those who have served in Korea, Vietnam, World War II, the Persian Gulf, Grenada, Panama, and Lebanon. In addition, specialty plates may be requested by those who have won the Congressional Medal of Honor; been awarded the Purple Heart; are ex-prisoners of war; are disabled veterans; or, who serve in the National Guard.

Despite the fact that most license plates can be personalized if drivers are willing to pay the added fee, the customization of military specialty license plates is not an available option under the law. Legislation has been introduced to allow veterans to personalize their military specialty license plates.

THE CONTENT OF THE BILL:

House Bill 4450 would amend the Michigan Vehicle Code to allow for the customization of military related specialty license plates. If enacted, it would take effect January 1, 2006.

The bill specifies that an applicant who applied for a registration plate under eight separate sections of the code, all related to the application process established for military veterans, would be eligible to request a registration plate with a customized sequence of letters and numbers. The sections of the code include Section 217d concerning those who have earned the Congressional Medal of Honor; Section 803e concerning POWs and Purple Heart recipients; Section 803f concerning totally disabled veterans; Section 803j concerning Korean War veterans; Section 803k concerning Viet Nam veterans; Section 803l concerning World War II veterans; Section 803n concerning veterans of wars in the Persian Gulf, Grenada, Panama, and Lebanon; and Section 803o concerning the National Guard. These plates are available with payment of a \$5 service fee.

Currently under the law, the Office of the Secretary of State also may issue one personalized vehicle registration plate for use on a passenger motor vehicle, pick-up truck, motorcycle, van, motor home, hearse, bus, trailer coach, or trailer. The law specifies that the personalized plates must bear letters and numbers, as the secretary of state prescribes, and it prohibits a letter combination that might carry a connotation offensive to good taste and decency. The application for an original personalized registration plate is accompanied with payment of a service fee of \$8 for the first month, and then \$2 for each additional month (or a \$30 annual fee). A second duplicate plate can be obtained by paying an additional service fee of \$5. Application for the renewal of the personalized registration plate must be accompanied with payment of a \$15 service fee, in addition to the regular vehicle registration fee. The law also specifies that the sequence of letters or numbers, or combination of letters and numbers, on a personalized plate cannot be given to a different person in a subsequent year, unless the person to whom the plate was issued does not reapply. House Bill 4450 would retain all of these provisions, and extend them to veterans who made application for personalized license plates.

ARGUMENTS:

For:

There are two reasons policymakers in Michigan should make customized license plates available to veterans of the armed services who have fought in wartime. First, our country is at war, and there can be no better time to recognize the courage and selfless dedication of those who have served in earlier armed conflicts. Second, since there is a precedent for specialty license plates that honor our state's citizens if they served in the armed services, and because customized plates are already available to the general citizenry, it is fitting to extend customization of plates to military veterans.

Against:

According to the Office of the Secretary of State, the up-front production cost of making customized military-related license plates available to veterans of the armed services is substantial. New production technologies soon to be available would significantly reduce those costs. For that reason, customized plates should not be an option at this time.

Response:

The bill was amended in committee to delay its effective date until January 1, 2006, in order to allow new, lower cost production technologies to be put in place before the customized military specialty plates are made to the driving public.

POSITIONS:

No positions were advanced.

Legislative Analyst: J. Hunault
Fiscal Analyst: William Hamilton

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