

## EXTENSION OF SUNSETS ON FEES RELATED TO CERTIFICATE OF TITLE TRANSACTIONS

Phone: (517) 373-8080  
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**House Bill 4439 (H-1)**  
**Sponsor: Rep. Victory**  
**Committee: Appropriations**

Analysis available at  
<http://www.legislature.mi.gov>

**Complete to April 9, 2015**

### SUMMARY:

This bill would amend section 806 of the Michigan Vehicle Code (1949 PA 300) which specifies the fees that accompany a certificate of title. When an individual submits an application for a certificate of title or duplicate they are charged the following fees:

- \$10 application fee
- \$5 fee if expedited review requested (Transportation Administration Collection Fund)
- \$3 service fee (Transportation Administration Collection Fund)
- \$10 fee if special identifying number requested

Each of these fees are presently scheduled for sunset on October 1, 2015. This bill would **extend the sunset until October 1, 2019.**

Presently, each person who applies for a certificate of title, a salvage vehicle certificate of title, or a scrap certificate of title pays a tire disposal surcharge of \$1.50 for each certificate of title or duplicate that they receive. This fee is deposited into the scrap tire regulatory fund and was increased to its present \$1.50 rate in 2003. It is scheduled for sunset on December 31, 2015. This bill would **extend this sunset until December 31, 2019.**

### FISCAL IMPACT:

This bill would allow the Scrap Tire Regulatory fund to continue to collect the \$1.50 tire disposal surcharge from certificate of titles or duplicates processed by the Secretary of State. This surcharge generates \$4.2 million in annual revenue for the scrap tire regulatory fund. The Department of Environmental Quality uses this fund to support administrative costs associated with the implementation of the Natural Resources and Environmental Protection Act. The FY 2015-16 Executive Recommended Budget and HB 4093 (H-1), which appropriates DEQ's budget for FY 2015-16, both assume the tire disposal surcharge at its current \$1.50-per-title rate.

In addition, the \$5 and \$3 fees are allocated to the Transportation Administration Collection (TAC) Fund and are used under statute to defray Department of State administrative costs. According to the Department of State, the two fees generated approximately \$10.6 million for the TAC Fund during FY14. In total, the Department receives approximately \$109.6 million from TAC fees annually.

Fiscal Analysts: Austin Scott &  
Perry Zielak

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