



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bills 548, 549, and 550 (each as reported with amendment)
Sponsor: Senator Shirley Johnson
Committee: Appropriations

CONTENT

Senate Bills 548, 549, and 550 would amend the act that provides for a personal identification card, the Michigan Vehicle Code, and the Natural Resources and Environmental Protection Act, respectively, to provide that beginning October 1, 2004, revenue generated from fees for commercial look-up requests would have to be deposited in the Transportation Administration Collection Fund (TACF). Currently, revenue generated from commercial look-ups is appropriated to the Department of State for necessary expenses. The balance of the fee revenue remaining at the end of the fiscal year lapses to the State General Fund.

The General Government Appropriation bill sets the (\$7) per-record fee charged by the Department of State. The Department of State is authorized to set a market-based price of records sold in bulk. The current bulk price is \$16 per thousand for information from standard fields and \$64 per thousand for lists that require modification.

MCL 28.297 (S.B. 548)
MCL 259.208b & 257.232 (S.B. 549)
MCL 324.80130 et al. (S.B. 550)

FISCAL IMPACT

Under the bills, fee revenue from commercial look-ups would continue to be used for necessary expenses of the Department of State. However, remaining balances from fee revenue would remain in the TACF for future appropriation to the Department of State instead of lapsing to the State General Fund. The following table compares look-up revenue with appropriations to the Department of State.

Service Charge for Record Information					
Collections Compared with Appropriated Funding Source to the Department of State					
	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>
Collections	\$29,435,168	\$30,694,955	\$33,569,858	\$37,545,894	\$38,500,000
Department of State Deduct	<u>30,080,000</u>	<u>30,600,100</u>	<u>30,094,300</u>	<u>32,240,100</u>	<u>33,490,000</u>
Balance	\$ (644,832)	\$94,855	\$3,475,558	\$5,305,794	\$5,010,000

Sources: Department of State, Summary of Fees Collected and Annual Appropriation Bills.
The FY 2004-05 collection amount is based on the current projection.

The bills would partially offset projected revenue shortfalls in the TACF. Current projections, contingent upon the final version of HB 4082, estimate a \$7.0 million shortfall in FY 2004-05 and a \$12.0 million shortfall in FY 2005-06.

Date Completed: 8-31-05

Fiscal Analyst: Bill Bowerman