



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bills 494 and 495 (as introduced 4-30-09)
Senate Bill 540 (as introduced 5-6-09)
Sponsor: Senator Ron Jelinek
Committee: Appropriations

Date Completed: 5-6-09

CONTENT

Senate Bills 494, 495, and 540 would amend the Michigan Vehicle Code, the Natural Resources and Environmental Protection Act, and the Act that provides for a State personal identification card, respectively, to provide that beginning October 1, 2009, revenue generated from a variety of fees would be deposited in the renamed "Department of State Operations Fund." Under Senate Bill 494, beginning October 1, 2009, the Transportation Administration Collection Fund (TACF) would be known as the Department of State Operations Fund (DSOF).

Currently, a number of driver license fees, vehicle title and registration service fees, and commercial look-up fees are earmarked to the TACF. Senate Bill 494 would refer to the deposit of these fees into the DSOF, instead of the TACF as well as remove the sunset of September 30, 2009, of the collection of registration transfer and expeditious title fees. Similarly, Senate Bill 495 would change references to the deposit of look-up fees for watercraft, off-road vehicles, and snowmobiles into the TACF, to deposit into the DSOF. Finally, Senate Bill 540 would refer to the deposit of look-up fees for personal identification cards into the DSOF instead of the TACF. Senate Bills 495 and 540 are tie-barred to Senate Bill 494.

MCL 257.208b et al. (S.B. 494)
MCL 324.80130 et al. (S.B. 495)
MCL 28.297 (S.B. 540)

FISCAL IMPACT

The fees for a driver license, vehicle title, or registration vary depending on the type of license and the type of vehicle. The Secretary of State currently charges \$7 per commercial record look-up. The sum of all these fees that are currently deposited into the TACF, which would be renamed the Department of State Operations Fund, is an estimated \$105.0 million annually (see table below). The revenue from these fees is annually appropriated in the Department of State budget and used to fund a variety of functions; over half of the fee

revenue funds Customer Delivery Services, which include the operation of Secretary of State branch offices.

2008 TAC Fund Collections	
Registration Service Fees	\$52,739,215.60
Driver Lookup Fees	37,118,243.01
Title Service Fees	10,017,969.36
License Plate Service Fees	4,963,019.37
Total	\$104,838,447.34
* Actual TAC collections in 2008 totaled \$105.2 million after adding in TAC fund interest and credits from prior year expenditures.	

Source: Dept. of State

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