

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

## BILL ANALYSIS

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543Senate Bills 494, 495, and 540 (as enacted)  
Sponsor: Senator Ron Jelinek  
Senate Committee: Appropriations  
House Committee: Appropriations**PUBLIC ACTS 99-101 of 2009**

Date Completed: 10-5-09

**CONTENT**

Senate Bills 494, 495, and 540 amended 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 for revenue generated from a variety of fees to be deposited in the Transportation Administration Collection Fund (TACF) through October 1, 2011.

A number of vehicle title, registration, service, and commercial look-up fees earmarked to the TACF had been set to expire on September 30, 2009. Senate Bill 494 delays the sunset to October 1, 2011, for the collection of certain fees under the Vehicle Code. Similarly, Senate Bill 495 refers to the deposit of look-up fees for watercraft, off-road vehicle, and snowmobile records into the TACF and extends the fees to October 1, 2011. Finally, Senate Bill 540 refers to the deposit of look-up fees for personal identification cards into the TACF also until October 1, 2011.

In addition, Senate Bill 494 requires the Department of State, by January 1 each year, to file with the Secretary of the Senate and the Clerk of the House an itemized list of deposits to and expenditures from the TACF for the preceding fiscal year. The bill also requires the State Transportation Department to review all funds it received from funding sources provided for under the Michigan Vehicle Code, to determine whether those funds can be used to leverage additional Federal funds.

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 deposited into the TACF is an estimated \$105.0 million annually (as shown in the 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. The Executive recommendation for FY 2009-10 assumes that these fees will continue to flow into the TACF.

<b>2008 TAC Fund Collections*</b>	
Registration Service Fees	\$52,739,215.60
Driver Look-up Fees	37,118,243.01
Title Service Fees	10,017,969.36
License Plate Service Fees	4,963,019.37
<b>Total</b>	<b>\$104,838,447.34</b>

\* Actual TAC Fund collections in 2008 totaled \$105.2 million after the addition of TAC Fund interest and credits from prior-year expenditures.

Source: Dept. of State

Fiscal Analyst: Joe Carrasco

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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.