STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING

RICK SNYDER
GOVERNOR

DAN WYANT
DIRECTOR

ENROLLED BILL ANALYSIS

BILL NUMBER: House Bill 4439, As Enrolled

TOPIC: Certificate of Title Fee Sunset Extension

SPONSOR: Representative Roger Victory

CO-SPONSORS: None

COMMITTEE: Appropriations

ANALYSIS DONE BY: Maggie Pallone, Director of Legislative Affairs
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DATE OF COMPLETED ANALYSIS: June 1, 2015

REVIEWED BY: **SD** **DA**

SHORT SUMMARY/HIGHLIGHTS OF THE BILL

This bill extends the sunset on the $1.50 fee per certificate of title collected by the Secretary of State from October 1, 2015 to October 1, 2019. The fee generates approximately $4.2 million annually and supports the cleanup of abandoned scrap tires as well as grants for tire market development opportunities.

ADMINISTRATION POSITION

Support

PROBLEM/BACKGROUND

Existing law only allows the $1.50 fee per certificate of title to be collected until October 1, 2015. Without an extension of the sunset date, approximately $4.2 million of revenue would no longer be collected, ultimately preventing the DEQ from being able to assist with the cleanup of abandoned scrap tires across the state. Grant funding available for market development efforts would also be reduced.

DESCRIPTION OF BILL

The bill allows the state to continue to collect approximately $4.2 million annually through October 1, 2019. The revenue is collected by the Secretary of State and deposited into the Scrap Tire Regulatory Fund for use of scrap tire cleanup and market development efforts.

SUMMARY OF ARGUMENTS

Pro

The bill maintains existing revenue levels and supports the fiscal year 2016 budget target agreements. The bill also supports the cleanup of abandoned scrap tires as well as grants for tire market development opportunities.

Con

None

FINAL PASSAGE VOTE

House: 102-8

Senate: 24-14

FISCAL/ECONOMIC IMPACT

Are there revenue or budgetary implications in the bill to the –

(a) Department

Budgetary: Neutral
Revenue: Neutral
Comments: Without support for this bill, the DEQ would lose approximately $4.2 million of annual revenue.

(b) State

Budgetary: Neutral
Revenue: Neutral
Comments: Without support for this bill, the state would lose approximately $4.2 million of annual revenue.

(c) Local Government

Comments: Local Units of Government can apply for existing market development grants. Without support for this bill, the funding would no longer be available.

OTHER STATE DEPARTMENTS

This bill allows for the continued collection of the fee by the Secretary of State.

ANY OTHER PERTINENT INFORMATION

None

ADMINISTRATIVE RULES IMPACT

None