

Legislative Analysis



TOTALLY DISABLED VETERANS

Phone: (517) 373-8080
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House Bills 4551 and 4552 as introduced
Sponsor: Rep. Beau Matthew LaFave
Committee: Military, Veterans and Homeland Security
Revised 12-11-19

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

SUMMARY:

Taken together, the bills would, among other things, create an adhesive license plate tab for disabled veterans and exempt a motor vehicle with such a tab from payment of the Recreation Passport fee for entry to state parks and state-operated public boating access sites.

House Bill 4552 would amend the Michigan Vehicle Code. The bill would define *totally disabled veteran*, for purposes of the code, to mean an individual who meets either of the following:

- He or she has been determined by the U.S. Department of Veterans Affairs to have a service-connected total or permanent total disability rating for compensation.
- He or she has been determined to have a service-connected total or permanent total disability rating and is receiving disability retirement pay from a branch of the uniformed armed services.

The bill would add totally disabled veterans, as defined above, to provisions in the code pertaining to parking reserved for use by disabled persons and the entitlement to courtesy in the parking of a vehicle.

License plates for disabled persons

The bill would amend section 803d of the code to allow a totally disabled veteran with an honorable discharge to apply for and receive a special registration plate for disabled persons for his or her *private passenger motor vehicle*. Application would have to be on a form prescribed by the Secretary of State and submitted with a service fee of \$5 and proof that the applicant was honorably discharged from the armed services. The application would also have to be submitted with proof that the applicant meets either of the two determinations in the definition of totally disabled veteran, above.

Private passenger motor vehicle would mean a motor vehicle that is personally owned by the disabled veteran and is used for the primary purpose of transporting the disabled veteran and family members of the disabled veteran, but would not include a motor home. (This is the definition for private passenger vehicle that is currently used in section 803f, described below.)

License plates and tabs for disabled veterans

The bill would also amend section 803f, which currently provides for a special registration plate for totally disabled veterans. In addition, the section allows an individual who has

been issued such a plate to also be issued an adhesive tab for persons with disabilities. The surviving spouse of a totally disabled veteran can also be issued such a tab if he or she is a disabled person.

The bill would change the tab issued under this section from a tab for persons with disabilities to a tab for disabled veterans. The tab for disabled veterans would display the letters “DV” rather than the international wheelchair symbol. (A surviving spouse could still get a tab for persons with disabilities under the bill.) In applying for a tab for disabled veterans, the disabled veteran would not be required to re-submit any proof that was required to receive a special plate under section 803d or 803f. The Secretary of State could also issue a tab for disabled veterans to a totally disabled veteran with an honorable discharge for use on other license plates issued under the Vehicle Code.

Application for a tab for disabled veterans would have to be accompanied by proof that the applicant was honorably discharged and met either of the two determinations in the definition of totally disabled veteran, above. As currently for a tab for persons with disabilities, the tab for disabled veterans would be issued free of charge. A tab could not be issued for more than one private passenger motor vehicle of the disabled veteran, and the tab could be attached only to the plate for which it was issued.

The bill would also exempt a registration for which a tab for disabled veterans was issued from payment of the registration tax under section 801 of the code. However, the registration would remain subject to any other fees or charges required under the act. If a registration plate for which a tab for disabled veterans was renewed, the Secretary of State would have to issue a new tab for disabled veterans to the disabled veterans, free of charge and without requiring the veteran to re-submit the proof required under these provisions.

Finally, the bill would exempt the issuance or renewal of a registration for which a tab for disabled veterans has been issued under section 803f from the Recreation Passport provisions of the Vehicle Code.

MCL 257.674 seq.

House Bill 4551 would amend the Natural Resources and Environmental Protection Act (NREPA) to exempt a motor vehicle with a tab for disabled veterans issued under section 803f of the Vehicle Code from payment of the Recreation Passport fee for entry to state parks and state-operated public boating access sites. The bill would also add totally disabled veteran, as defined in the Vehicle Code, to the definition of “person with a disability” as used in section 40111 of NREPA, which contains various hunting provisions.

The bill is tie-barred to HB 4552, which means that it could not take effect unless HB 4552 were also enacted.

MCL 324.40111, 324.74116, and 324.78119

FISCAL IMPACT:

House Bills 4551 and 4552 would reduce revenue for the Department of Natural Resources (DNR) by expanding exemptions to the Recreation Passport requirement for state parks and state-operated boating access sites. The amount of reduced revenue would depend on the number of totally disabled veterans who currently pay for a Recreation Passport each year and the number who pay the access fee at state parks and state operated public boating access sites who would no longer pay either fee because of the fee waiver provided by the bill. Data on the number of individuals with totally disabled veteran benefits who also purchase Recreation Passports are not available, but the Department of State reports that 26,500 disabled veteran plates are active in Secretary of State's registry. This number is significantly higher than the known 15,700 totally disabled veterans estimated in Michigan from data from the USDVA, potentially indicating a high number of surviving spouses using the benefit.

The Department of State has estimated that 35% of all registration renewals opt to purchase a Recreation Passport. Not all totally disabled veterans are licensed drivers, but if 35% of those individuals with disabled veteran plates opt to purchase an \$11 Recreation Passport, it would account for \$102,000 annually in decreased revenue. This amount would provide a low-end estimate of the decrease in revenue to DNR from forgone Recreation Passport revenue. An estimate of the full revenue decrease would also include revenue forgone from access fees paid by totally disabled veterans at state parks and state operated public boating access sites, which is indeterminate at this time.

The Department of State would incur additional undetermined costs from the bill related to information technology programming costs to the department's computer systems to incorporate the bills' changes.

The sale of Recreation Passports generated \$30.3 million in revenue for FY 2017-18. This revenue is received by both the Department of State and DNR, where it supports state park operations, maintenance, capital outlay projects, local public recreation, and forest recreation. The bills are unlikely to affect departmental costs or local government costs or revenues.

Legislative Analyst: E. Best
Fiscal Analysts: Michael Cnossen
Austin Scott

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.