

To: House and Senate Committees on Transportation

From: Robert Ide, Commissioner, Department of Motor Vehicles

Date: December 1, 2017

Subject: Motor Vehicle License Plates

As required by Act 38 Section 4a, passed in the 2017 legislative session, the Department of Motor Vehicles has prepared the following analysis showing the projected savings due to the elimination of the front license plate on pleasure cars and trucks.

For FY15-FY17, the Department ordered an average of 100,000 sets of license plates for pleasure cars and trucks, not including vanity plates. The elimination of the front license plate would allow the department to save \$0.83 per vehicle in aluminum costs. Due to the current manufacturing method and processes in place, an additional \$0.08 per vehicle in manufacturing cost savings are expected as well.

In addition, the postage to mail a license plate would be \$3.16, opposed to current price of \$3.96 per set of plates mailed.

Materials and Manufacturing:	100,000 ¹ @ \$0.91/set	\$91,000
Postage:	25,000 ² @ \$0.80 ³ /set	\$20,000
Total Savings		\$111,000



Robert Ide, Commissioner

¹ Average pleasure car and truck plate orders for FY15-FY17 were 100,000, not including vanity plates.

² 25% of plates are issued through the mail.

³ \$3.96 (cost to mail two plates) - \$3.16 (cost to mail one plate)=\$0.80