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Senate Bill 593 (as introduced 9-25-25)

Sponsor: Senator Sam Singh

Committee: Appropriations

Date Completed: 11-4-25

CONTENT

The bill would amend the Michigan Vehicle Code to reduce registration fees for electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs). On top of normal vehicle registration fees, EVs and PHEVs pay additional registration fees based on the State gasoline tax. The additional registration is currently \$5.00 per cent above 19 cents in gasoline tax for EVs and \$2.50 per cent above 19 cents in gasoline tax for PHEVs. The bill would reduce that amount to \$1.88 for each cent above 19 cents for EVs and \$0.94 for each cent above 19 cents for PHEVs.

MCL 257.801

FISCAL IMPACT

The bill would have a negative fiscal impact on State and local government. The bill would reduce the registration fees for EVs and PHEVs, which would result in lower revenue for the Department of Transportation, cities, villages, and counties. The decrease in revenue would depend on the gasoline tax and the number of EVs and PHEVs in the State. For calendar year 2026, the gasoline tax is 52.6 cents per gallon; this is 33.6 cents above 19 cents. Under current law the additional registration for EVs would be \$168 and for PHEVs, \$84. With the proposed bill, the additional registration for EVs would be \$63.17 and for PHEVs \$31.58. This is a reduction of \$104.83 per EV and \$52.42 per PHEV. On a full-year basis, this would reduce revenue to the Michigan Transportation Fund by approximately \$9.9 million. Of that amount, \$6.0 million would be a reduction to counties, cities, and villages. The remaining \$3.9 million would be a reduction to the Department of Transportation. The loss would be exacerbated over time, as revenue would grow only by \$1.88 and \$0.94 per cent of gas tax increase instead of by \$5.00 and \$2.50 for EVs and PHEVs, respectively.

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