



**House  
Legislative  
Analysis  
Section**

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**NONPROFIT ORGANIZATION ID LICENSE PLATES**

House Bill 4680 with committee amendments  
First Analysis (5-4-89)

MAY 23 1989

Sponsor: Rep. Gary L. Randall

Committee: Transportation Mich. State Law Library

***THE APPARENT PROBLEM:***

The Michigan Vehicle Code permits the secretary of state to issue at minimal cost special license plates in a number of different instances, including to certain persons who were involved in various U.S. battles, conflicts, or wars (i.e. former prisoners of war, Pearl Harbor survivors, etc.), to handicappers, and to people who just wish to be personally identified on the road via "vanity plates." Special plates give recognition and honor to those involved in former military conflicts, and allow anyone the ability to personalize his or her vehicle plates while remaining within the confines of the act. In light of special plates currently allowed, some have requested that similar special plates be issued by the secretary of state, for a minimal fee, which are manufactured to carry a decal displaying the state, national, or international symbol or emblem of certain nonprofit, public service organizations.

***THE CONTENT OF THE BILL:***

The bill would amend the Michigan Vehicle Code to permit the secretary of state to issue up to two "special organization" motor vehicle license plates to an applicant for use on a passenger, non-commercial vehicle instead of standard plates. A special registration plate would bear on its face the symbol or emblem of an organization, and letters and numbers as prescribed by the secretary of state. The plates could contain the symbol of the organization to the left of the plate number. The secretary of state could not issue a letter combination that carried a connotation offensive to "good taste and decency." The plates would be made of the same material as standard plates and could not be a duplication of another registration plate.

Requirements to qualify for plates. In order to qualify its members to receive the special plates, an organization would have to:

- be a nonprofit fraternal or public service organization;
- certify it consisted of at least 500 members and that at least this many of its members would apply for the special plates;
- have a recognizable state, national, or international symbol or emblem; and
- submit a service fee of \$250 for the initial manufacture of the symbols or emblems for the plates.

If an organization met these criteria it could request the secretary of state to manufacture special plates for its members. Such a request would be accompanied by all the following:

- a copy of the organization's charter and bylaws, if any;
- a statement of the organization's consent to use of its symbol or emblem on the plates, signed by the chief executive officer of the organization;
- a sample of the organization's symbol or emblem; and the name of the organization's representative serving as a contact person with the secretary of state.

Application procedures, fees. A member of an organization that met the bill's requirements would have to individually apply for the plate and submit with the application the organization's confirmation of membership on a form provided by the secretary of state. The application would be submitted according to application procedures for standard plates. In addition to the regular registration fee (which is currently based on a vehicle's weight for pre-1984 vehicles, or value for later model vehicles), each application for a new special plate would be accompanied by a service fee of \$25. This fee, however, could not be charged in connection with an application for a renewal tab for an existing special plate. For each application for a duplicate or replacement set of special organization plates, an applicant would have to pay a \$10 fee. Special plates would expire in the same way as standard plates.

Service fees collected under the bill would be deposited in the state treasury and credited to the Michigan Transportation Fund. After deducting manufacturing and administrative costs, revenues from fees would be allocated to various state and local government transportation agencies pursuant to the distribution formula established for the fund.

Temporary permit. The secretary of state could issue a temporary registration permit to a person who submitted an application and the proper fees for a special plate if the applicant's current vehicle registration would expire before his or her receipt of the special plate. The temporary registration would expire on the applicant's receipt of the special plate or upon the expiration of 60 days after the date of issuance, whichever occurred first. A temporary permit would be issued without charge.

MCL 257.803i

***FISCAL IMPLICATIONS:***

According to the Department of State, the bill would result in increased revenues for the Michigan Transportation Fund, but an estimate is not available. (5-3-89)

***ARGUMENTS:***

***For:***

The bill would allow members of qualified special organizations to receive special plates issued by the secretary of state displaying a decal of the organization's special identifying emblem. The plates would allow organizations to better advertise themselves to the general public, would provide a sense of camaraderie among organization members, and could give persons using the plates a good incentive to always act courteously while driving on state highways. Fees for the special plates would cover manufacturing costs, and any additional revenue would be used to fund various transportation needs. In fact, experience in other states has proven the idea to be

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a good source of additional revenues, according to the department of state.

***Against:***

The bill confirms the fears of many who felt that singling out special groups for identifying license plates, even for an honorable cause, would usher in a host of groups desiring special ID plates. While the bill is aimed at allowing plates to be issued to members of valid nonprofit, "public service" organizations, some groups adhering to questionable principles (i.e. Nazis, the Ku Klux Klan, etc.) may qualify and wish to be included under the bill. While people are free to believe as they wish, the state should not put itself in a position that could be viewed as promoting unreasonable beliefs. Also, the bill's provision prohibiting the secretary of state from issuing "a letter combination which might be considered offensive to good taste and decency," though it would give the state leeway in determining what was or was not an acceptable emblem, could be challenged as limiting freedom of expression.

***Against:***

Adding another special ID plate to a growing list of special plates already allowed would only hamper the effectiveness of police enforcement agencies throughout the state.

***Response:*** Since the plates would have to be made of the same material and with similar numbers and letters as standard plates, they could still be easily identified. According to a Department of State Police spokesperson, other special ID plates currently allowed under the act have not hindered enforcement practices in any way.

***POSITIONS:***

The Department of State supports the bill. (5-2-89)

The Grand Lodge Free and Accepted Masons of Michigan supports the bill. (5-3-89)

The Department of State Police has no position on the bill. (5-3-89)