

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bills 5040, 5041, and 5042 (as reported without amendment)

Sponsor: Representative Jason Allen (H.B. 5040)  
Representative Scott Shackleton (H.B. 5041)  
Representative Lauren Hager (H.B. 5042)

House Committee: Transportation

Senate Committee: Transportation and Tourism

### **CONTENT**

The bills would amend the Michigan Vehicle Code to require the Secretary of State to develop and issue State-sponsored agricultural heritage, lighthouse preservation, and water quality fund-raising registration plates and matching collector plates.

House Bill 5040 also would require the Secretary of State to transfer donations to the State Treasurer, who would have to disburse the money to Michigan State University development, designated for the FFA Vision 2000 Endowment Fund to provide grants for agri-science, natural resources, and environmental K-12 educational programs.

House Bill 5041 would require the Michigan Lighthouse Preservation Grant Fund to be created in the Department of Treasury. The Secretary of State could spend money from the Fund through discretionary historical grants to preserve Michigan lighthouses, but grants could not be awarded for operational purposes.

House Bill 5042 would require the Department of Environmental Quality to establish and administer a Water Quality Protection Fund Grant Program in order to provide grants to local governments to protect the quality of Michigan Great Lakes and inland lakes, rivers, and streams. The bill also would require the Water Quality Protection Fund to be created within the Department of Treasury. Money in the Fund would have to be spent, upon appropriation, for protecting the State's water quality.

The bills are tie-barred to Senate Bill 826, which would permit the Secretary of State to develop a Michigan university fund-raising registration plate and a matching collector plate, limited-term registration plates, and up to six State-sponsored fund-raising registration plates and matching collector plates. The bills would take effect October 1, 2000.

Proposed MCL 257.811n (H.B. 5040)  
Proposed MCL 257.811k (H.B. 5041)  
Proposed MCL 257.811i (H.B. 5042)

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

These bills would increase revenue to the State. There would be some administrative costs to the Department of State to administer the program. However, the costs would be absorbed by the revenue gained from the sale of the license plates. Because the number of people who would purchase fund-raising plates is unknown, the fiscal impact of the program is indeterminate. However, figures for other plate programs are shown below for reference.

	Olympic Plates		Organizational Plates	
	Issued	Fees	Issued	Fees
FY 1995-96	5,795	\$139,357	1,439	\$35,975
FY 1996-97	6,985	\$146,326	1,228	\$30,700
FY 1997-98	7,244	\$177,762	1,283	\$32,075
FY 1998-99	7,800	\$192,000	1,400	\$35,000

After the Department of State deducts its costs from the original fees for the Olympic plates, the remainder is sent to the Olympic Training Center at Northern Michigan University. The chart above shows the total revenue collected from fees for both the Olympic plates and the organizational plates. The figures for FY 1998-99 are projected totals.

House Bill 5042 would result in an indeterminate increase in Department of Environmental Quality (DEQ) administrative costs related to the development and oversight of the Water Quality Protection Fund Grant Program, proposed by the bill. If the new grant program were operated in conjunction with, or as an enhancement to existing DEQ water quality programs (e.g., the Clean Michigan Initiative Water Pollution Prevention and Monitoring Program), these administrative costs would be minimal.

Date Completed: 11-30-99

Fiscal Analyst: E. Limbs  
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.