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**"PROUD TO BE AN AMERICAN"
SPECIALTY LICENSE PLATE;
DONATIONS TO AMERICAN
NATIONAL RED CROSS**

**Senate Bill 602 (Substitute S-3)
Sponsor: Sen. Shirley Johnson
Committee: Transportation**

Complete to 10-1-01

A SUMMARY OF SENATE BILL 602 (SUBSTITUTE S-3)

Senate Bill 602 would amend the Michigan Vehicle Code to require that the secretary of state develop and issue a state-sponsored "Proud to be an American" specialty fund-raising license plate, and a state-sponsored collector plate. Further, the bill would create a Proud to be an American Fund within the Department of Treasury. The bill would take effect October 1, 2001.

Currently under the law, the secretary of state may develop and promote up to six different state-sponsored fund-raising registration plates and matching collector plates, in order to raise funds for state-sponsored goals. The specialty plates were authorized by laws enacted during the last legislative session, in order to raise funds for agricultural heritage, lighthouse preservation, water quality preservation, critical wildlife habitat, the Michigan Children's Trust Fund, and the Michigan Veteran's Memorial. Senate Bill 602 would raise the limit the law now places on the number of specialty fundraising plates from six to seven. [In addition, the law allows the secretary to state to develop a Michigan university fundraising specialty plate series.]

Under the law, a person who purchases a specialty fund-raising plate or a collector plate is required to pay a \$25 fund-raising donation, the regular vehicle registration tax, and a \$10 service fee. Further, a person renewing the fund-raising plate must pay the regular vehicle registration tax, and a \$10 fund-raising donation. Senate Bill 602 would retain these provisions and extend them to include the Proud to be an American specialty fundraising plate.

Under Senate Bill 602, the state treasurer could receive money or other assets from any source for deposit into the Proud to be an American fund, and would direct investment of those funds, as well as credit to the fund the interest and earnings from fund investments. Money in the fund at the close of the fiscal year would not lapse to the general fund. The bill also specifies that the state treasurer would be required to disburse money in the fund on a monthly basis to the American National Red Cross, as represented by the Michigan State Service Council.

Senate Bill 602 would require that the American National Red Cross spend the money for disaster preparedness and disaster relief in the United States. Under the bill, the Red Cross would be required to provide an annual accounting of the use of the money to the state treasurer.

MCL 257.217m and 257.217n

Analyst: J. Hunault

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