



**House
Legislative
Analysis
Section**

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**"MICHIGAN ROTARIAN"
SPECIALTY LICENSE PLATE**

**House Bill 6093 as introduced
First Analysis (5-30-02)**

**Sponsor: Rep. David Mead
Committee: Transportation**

THE APPARENT PROBLEM:

The Rotary Club began in Chicago, Illinois on February 23, 1905 when four men met to convene the first meeting of what has become an international service organization. Today, there are over 28,500 Rotary Clubs in over 190 nations throughout the world. See *BACKGROUND INFORMATION* below. Members from many local chapters of the Rotary meet weekly here in Michigan, joining Rotarians everywhere as they make contributions in their communities, following the motto: Service Before Self. Their continuing education programs, offered at each weekly meeting, are designed to keep members informed on issues in the community, nation, and world.

Michigan Rotarians are known for many community service projects, most local in nature--they build and landscape parks, offer scholarships for study abroad (for students and university faculty), undertake book drives for local libraries, operate food banks, and support disadvantaged youth with a variety of projects. However, one statewide project undertaken by many local chapters is the Strive Program, a mentoring project, which since 1994 has helped more than 1,200 below-average students complete high school and go on to college. When Rotarians participate in Strive, they work with local high schools to give a few below average students a fresh start. In effect, the student's academic slate is wiped clean by school officials for the senior year. Then he or she is provided weekly mentoring by a Rotarian, a co-developed and goal-oriented plan, and the possibility of earning scholarships and job opportunities that would make college possible. To remain eligible for Strive, the students who are mentored must maintain a "C" average, 90 percent school attendance, and also demonstrate a willing attitude.

Projects like the Strive Program take time and some money. Generally, Michigan Rotary chapters operate voluntary programs, and local members support their work in projects like the Strive Program and other

community service initiatives, through private fundraising and member-contributions of time and money. Fundraising projects are an ever-present feature of any local chapter's weekly meetings.

One way to raise funds for Michigan Rotary would be through sales of a specialty license plate offered through the Office of the Secretary of State, and legislation has been developed to that end.

THE CONTENT OF THE BILL:

House Bill 6093 would amend the Michigan Vehicle Code to require that the secretary of state develop and issue a "Michigan Rotarian" fund-raising license plate. Further, the bill would create a Michigan Rotarian Fund within the Department of Treasury, to be disbursed by the Office of the Secretary of State. A person would pay an additional \$25 for a Michigan Rotarian fundraising license plate, and the donation would be deposited into the fund. (In addition to the donation, an applicant would pay the regular registration tax and a \$5 service fee.)

House Bill 6093 specifies that the state treasurer could receive money or other assets from any source for deposit into the Michigan Rotarian 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 secretary of state would be required to disburse money in the fund on a quarterly basis to the Rotary Foundation's Permanent Fund.

MCL 257.217p and 257.217q

BACKGROUND INFORMATION:

The International Rotary Clubs worldwide are perhaps best known for their highest priority

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program: PolioPlus, a project unlike any other in Rotary's 97-year history, begun with a promise made in 1985 to eradicate polio throughout the world. The service organization's financial commitment to the project is now estimated to be well over \$550 million. Rotarians have delivered vaccine by camels and helicopters, trucks, and motorbikes, staffed immunization posts, raised community awareness of the value of immunization, and in the process have helped to mobilize 10 million volunteers. Those who head the project say they delivered the polio vaccine to more than 80 percent of the children in the world in one five-year period. Rotary's partners in eliminating polio on every continent are the World Health Organization, the Centers for Disease Control, and UNICEF. For more information about PolioPlus and the International and Michigan Rotary, visit the Michigan District 6360 web site: www.district6360.com.

FISCAL IMPLICATIONS:

The House Fiscal Agency notes that the bill would result in an indeterminate loss of revenue. (5-30-02)

ARGUMENTS:

For:

The motto of the state's thousands of Rotarians is "Service Before Self." To recognize the many fine community service projects undertaken by Michigan Rotarians, a specialty license plate should be issued in their honor. Further, the revenue raised from the sale of the specialty plate should be dedicated to the Rotarian's permanent foundation, and the proceeds used to fund their many worthwhile projects.

Against:

The \$5 service fee that is provided for in this legislation is inadequate, and consequently the bill is not revenue-neutral. The cost to the state to manufacture and distribute a specialty license plate is \$10 per plate, and the service fee in the first year that the plate series is introduced should be set at a level to cover those costs. This is especially true during fiscal year 2002-2003, when the Department of State faces a \$20 million shortfall because of declining state revenue.

POSITIONS:

The Office of the Secretary of State opposes the bill. (5-29-02)

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.