

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 614 (Substitute S-2 as reported by the Committee of the Whole)
Sponsor: Senator Leon Stille
Committee: Transportation and Tourism

CONTENT

The bill would amend the Michigan Vehicle Code to require that the Secretary of State develop and issue a "Support Education" fund-raising license plate and matching collector plate, as provided in the Code for other such plates. (According to the sections of the Code cited by the bill, a vehicle owner may request a fund-raising plate instead of a standard plate when registering a vehicle. In addition to the regular registration tax, the vehicle owner must pay a \$25 donation and a \$10 service fee. A person also must pay a \$25 donation and a \$10 service fee for a collector plate.)

The Secretary of State would have to deposit the \$25 donation into a "Support Education Fund" created within the Department of Treasury. The money could be used only by the Department of Education for minigrants to certified public or non-public school teachers for school supplies and equipment that would enhance student learning, with emphasis on reading and mathematics. Seventy-five percent of the funds would have to go for minigrants of up to \$500 to teachers in the county where the plates were purchased. The remaining 25% would have to go to teachers in counties with a high need for the funds but few Support Education registrations.

The Department of Education would have to hold a Statewide student contest to determine the design of the Support Education plate, subject to approval by the Secretary of State.

The bill would go into effect on May 1, 2003. It is tie-barred to House Bills 4352 (which would create fund-raising license plates for Ducks Unlimited and a "Choose Life" fund) and 5122 (which would create a fund-raising plate for breast cancer awareness.)

Proposed MCL 257.217i

Legislative Analyst: Julie Koval

FISCAL IMPACT

This bill would have no fiscal impact on State or local government. The sections of the Code for existing fund-raising license plates cited by the bill set a service fee of \$10. The level of this fee was established following an evaluation of the administrative, manufacturing, and distribution costs of the plates. The \$10 service fee is revenue-neutral, meaning it covers exactly the cost of producing the plate and the State experiences no net gain or loss. This license plate could compete with the existing fund-raising plate for the Children's Trust Fund, which had raised \$309,230 at the end of FY 2002-03 after 18 months of availability.

Date Completed: 12-4-02

Fiscal Analyst: Jessica Runnels