

Legislative Analysis



PRO-CHOICE FUND-RAISING PLATE

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House Bill 6184

Sponsor: Rep. Ruth Ann Jamnick

Committee: Transportation

Complete to 11-1-04

A SUMMARY OF HOUSE BILL 6184 AS INTRODUCED 9-9-04

The bill would amend Section 811e of the Michigan Vehicle Code to authorize the Michigan Secretary of State to develop and issue a pro-choice fund-raising vehicle registration plate and a fund-raising collector plate. The bill would require the Secretary of State to transfer donations from the sale of these plates to the state treasurer for credit to the pro-choice fund created in the bill. The bill would direct the state treasurer to distribute money in the fund on a quarterly basis to Planned Parenthood of Michigan.

The bill would also amend Section 811e to strike language which currently limits the number of state-sponsored fund-raising plates to seven.

FISCAL IMPACT:

Under current law (Section 811f of the Michigan Vehicle Code) the application for an original fund-raising plate must be accompanied by a \$25 donation, payment of the regular registration tax, and a \$10 service fee. It is the revenue from the \$25 donation that would be transferred to Planned Parenthood of Michigan under the bill.

The Department of State indicates that the current \$10 service fee covers its marginal costs of manufacturing specialty plates, but does not cover initial start-up costs, estimated to be approximately \$15,000 per new plate issue. As a result, the bill would result in a net unreimbursed cost to the state of \$15,000 if the Secretary of State issued the fund-raising plates authorized under the bill.

BACKGROUND INFORMATION:

Public Act 77 of 2000 (Senate Bill 826) added Section 811e to the Michigan Vehicle Code to authorize the Secretary of State to develop Michigan university fund-raising and collector plates. The act also permitted the Secretary of State to develop up to 6 state-sponsored fund-raising plates and matching collector plates at any one time. The section was subsequently amended by PA 124 of 2001 (Senate Bill 602) to permit up to 7 state-sponsored fund-raising plates. The fund-raising plates currently authorized under this section are Agricultural Heritage, Children's Trust Fund, Lighthouse Preservation, Veteran's Memorial, Water Quality, Wildlife Habitat, and "Proud to be American."

Revenue from all of the current university and state-sponsored fundraising plates is credited to a state fund or state-administered fund, with one exception. Revenue from “Proud to be American” plate donations is credited equally to the American Red Cross and the Salvation Army.

For the 2002-03 fiscal year, the Department of State reports 88,381 transactions for the existing special cause license plates, generating over \$1.2 million for the special causes. For this same time period, the department reported 82,384 transactions for state university license plates, generating almost \$1.1 million for the universities.

For the 2003-04 fiscal year, the Department reports that special cause license plates generated approximately \$1.2 million for the special causes, that state university license plates generated approximately \$1.2 million for the universities.

Fiscal Analyst: William Hamilton

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