

REMOVE SUNSET ON FUND-RAISING LICENSE PLATES

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4963

Sponsor: Rep. David Law

Committee: Transportation

Complete to 6-20-05

A SUMMARY OF HOUSE BILL 4963 AS INTRODUCED 6-16-05

Public Act 77 of 2000 (Senate Bill 826) amended the Michigan Vehicle Code to provide the Secretary of State with the authority to develop Michigan university fund-raising and collector plates. Public Act 77 also permitted the Secretary of State to develop up to six state-sponsored fund-raising plates and matching collector plates at any one time. The section was subsequently amended by Public Act 124 of 2001 (Senate Bill 602) to permit up to seven 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." Statutory provisions regarding the fund-raising plate program are found in Sections 811c through 811n of the Michigan Vehicle Code (MCL 257.811c to 257.811n).

Enacting Section 1 of Public Act 77 repealed the authority for the fund-raising plate program effective five years after the effective date of the amendatory acts which added the fund-raising plate sections. As a result, Sections 811d to 811h will sunset on October 1, 2005. Sections 811i to 811n will sunset on March 28, 2006.

House Bill 4963 would repeal the Enacting Section 1 of Public Act 77, thus allowing the Department of State to continue the fund-raising plate program beyond the current sunset dates.

FISCAL IMPACT:

Under current law (Section 811f of the Michigan Vehicle Code), a person issued a fund-raising plate pays a regular registration tax (credited to the Michigan Transportation Fund), an additional \$10.00 service fee (credited to the Transportation Administration Fund to cover the marginal costs of producing the plate), a \$25.00 fund-raising donation. Under Section 811g, a person who also purchases a collector plate (which is not a valid registration plate), pays a \$25.00 fund-raising donation, and a \$10.00 service fee.

According to Department of State records, for the fiscal year ending September 30, 2004, there were 196,598 total fund-raising plate transactions, generating \$1.2 million for the special causes and \$1.2 million for the 15 state universities.

Enactment of House Bill 4963 would provide the department with authority to continue the fund-raising plate program after the current sunset dates. This would permit the

continued collection of fund-raising revenue for the 15 state universities, certain designated state programs, and, for the "Proud to be American" plate, certain non-profit charitable institutions.

Legislative Analyst: E. Best
Fiscal Analyst: William Hamilton

■ 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.