



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 324 (as reported without amendment)
Sponsor: Senator Bruce Patterson
Committee: Transportation

(as passed by the Senate)

Date Completed: 5-19-09

RATIONALE

Amendments to the Michigan Vehicle Code in 2000 provided for the creation of up to six State-sponsored fund-raising license plates for the benefit of specific charitable causes. Purchasers of a fund-raising plate must pay a \$25 donation and a \$10 service fee above the cost of a standard plate. The \$25 is then deposited into a designated fund to be used for the cause associated with the plate. The original six fund-raising plates support wildlife habitat protection, lighthouse preservation, water quality protection, agricultural heritage, the Children's Trust Fund, and the Vietnam Veteran's Memorial Monument Fund. Since 2000, the limit on State-sponsored fund-raising plates has been increased twice, to allow for the creation of an "American Pride" plate and a "Support our Troops" plate. The Secretary of State (SOS) reports that it has issued a total of about 800,000 State-sponsored fund-raising plates since it began on April 2, 2001, as well as an additional 780,000 plates recognizing various Michigan universities. It has been suggested that the current limit on fund-raising plates be increased to allow for the creation of a license plate in support of Ducks Unlimited, a nonprofit organization dedicated to the preservation and restoration of wetlands.

CONTENT

The bill would amend the Michigan Vehicle Code to do the following:

- Increase the limit on State-sponsored fund-raising license plates from eight to nine.**
- Require the Secretary of State (SOS) to develop a fund-raising plate and**

collector plate recognizing Ducks Unlimited, and permit the SOS to issue those plates.

- Create the "Ducks Unlimited Fund" and require donations for those plates to be deposited into the Fund.**

The Code allows the SOS, at one time, to develop up to eight State-sponsored fund-raising registration plates and matching State-sponsored collector plates. The bill would increase that limit to nine different plates.

Under the bill, the SOS would have to develop and could issue a fund-raising plate and collector plate recognizing Ducks Unlimited. The words "Ducks Unlimited" would have to be inscribed on the plate. The SOS would have to transfer fund-raising donations for the plates to the State Treasurer.

The bill would create the Ducks Unlimited Fund within the State Treasury. The State Treasurer would have to credit the donation money received under the bill to that Fund, and disburse money in the Fund on a quarterly basis to the Michigan Chapter of Ducks Unlimited, Incorporated. The money credited to that organization could be used only to protect, enhance, restore, manage, and acquire wetlands and associated uplands in the State.

The Michigan Chapter of Ducks Unlimited would have to report annually to the Department of Treasury an accounting of money received and used under the bill.

The State Treasurer could receive money or other assets from any source for deposit into the Fund. The Treasurer would have to direct the investment of the Fund and credit to it interest and earnings from Fund investments. Money in the Fund at the close of the fiscal year would have to remain in the Fund and not lapse into the State General Fund.

MCL 257.811e et al.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Ducks Unlimited, Incorporated has a long history of preserving wetlands. Originally focused on preserving Canadian habitat for waterfowl, the organization has expanded to include chapters throughout North America. According to its websites, as of January 1, 2009, Ducks Unlimited had conserved about 12.6 million acres of wetlands and waterfowl habitat in Canada, the United States, and Mexico, including over 50,000 acres in Michigan. The Michigan Chapter has over 28,000 members, and the organization has identified the Great Lakes system as a priority area for wetland and waterfowl conservation. The bill would allow those members and others to show support for the organization by purchasing a Ducks Unlimited license plate.

In addition to the money raised directly from the license plate, the public awareness it generated could spur additional contributions from the private sector to Ducks Unlimited, multiplying the benefits and further increasing the organization's ability to preserve and restore wetlands in the State.

Opposing Argument

The current limit on the number of fund-raising plates was enacted to prevent the proliferation of license plate designs. For law enforcement purposes, it is preferable to minimize the number of different designs, so officers are able to distinguish Michigan plates from out-of-State plates quickly and accurately. Bumper stickers offer an alternative way to declare support for a cause and generate revenue without creating any potential confusion.

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would create a start-up cost to the Department of State. The start-up fee of \$15,000 prescribed in the Code could be paid to the Department of State from the Ducks Unlimited Fund proposed in the bill; however, the bill does not include such a requirement. The revenue generated from the fund-raising license plate established under the bill would be deposited into the proposed Ducks Unlimited Fund, after which the State Treasurer would disburse payments from the Fund on a quarterly basis to the Michigan Chapter of Ducks Unlimited.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.