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BILL



ANALYSIS

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Senate Bill 600 (Substitute S-2 as reported)
Sponsor: Senator Patrick J. Colbeck
Committee: Transportation

Date Completed: 2-14-12

RATIONALE

The Michigan Vehicle Code provides for the creation of 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. Fund-raising plates are currently available to support agriculture education programs for grades K-12, Boy Scouts of America, the Children's Trust Fund, lighthouse preservation, water quality, wildlife habitat, and several other causes, as well as Michigan's 15 State-supported universities. To provide support for pregnant women and promote alternatives to abortion, it has been suggested that a license plate also be created in support of Choose Life Michigan, a committee of Right to Life of Michigan.

CONTENT

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

- **Require the Secretary of State (SOS) to develop a fund-raising license plate recognizing Choose Life Michigan.**
- **Create the "Choose Life Michigan Fund" and require donations for the plates to be deposited into the Fund.**
- **Require the Fund money to be disbursed to Choose Life Michigan.**

Specifically, the bill would require the SOS to develop under Section 811e and issue under Section 811f a fund-raising plate

recognizing Choose Life Michigan. The SOS would have to design the plate in conjunction with Choose Life Michigan.

(Section 811e prescribes a start-up fee of \$15,000 for each new authorized fund-raising license plate. The fee must be deposited in the Transportation Administration Collection Fund to be used for the cost of creating, producing, and issuing fund-raising plates. The SOS may not develop or issue a new fund-raising plate unless a public act authorizing the plate identifies its purpose, creates a nonprofit fund or designates an existing nonprofit fund to receive the money collected through the sale of the plate, and names the person or entity responsible for administering the fund.)

Section 811f prescribes a \$25 donation and \$10 service fee, in addition to the regular vehicle registration tax, for an original fund-raising plate. For a renewal, an applicant must pay a \$10 donation in addition to the registration tax.)

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

The SOS would have to transfer the donation money from the sale of the

proposed fund-raising plate to the State Treasurer, who would have to credit the money to the Fund. The State Treasurer would have to disburse money in the Fund on a quarterly basis to Choose Life Michigan.

The SOS would be the administrator of the Fund for auditing purposes.

Proposed MCL 257.811s

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

The proposed "Choose Life" plate would raise funds to provide support to pregnant women, encourage adoption, and otherwise help reduce the number of abortions performed in Michigan.

Adoption is a life-affirming choice that benefits children, their adoptive families, and the biological parents who can feel assured that their children are going to good homes. Thus, the State has a legitimate interest in promoting adoption. The money raised under the bill could enhance advocacy efforts and help reduce the adoption time line for families. In addition, the money could be used for outreach to at-risk populations, such as teens and college students, as well as the development of educational materials for public schools, which are required to include information about adoption in their sex education programs. Evidently, many schools do not have adequate material to teach students about adoption; money from the license plate sales could be used to develop an appropriate curriculum on the subject and help address this information gap among young people.

The money also could be distributed to pregnancy resource centers, which provide direct material support to pregnant women and babies, including maternity and baby clothes, diapers, cribs, car seats, and parenting classes.

To date, 26 other states offer a "Choose Life" license plate. Experience in those states indicates that there would be considerable demand for the plate in Michigan; the sales goals prescribed in the

Vehicle Code could be met and a significant amount of revenue could be generated.

Response: The proposed plate might support a worthy cause; however, 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.

Opposing Argument

A person may choose to display any message he or she desires on his or her vehicle; a State-sponsored license plate, however, would go beyond an individual expression of belief and create an impression among the public that the State endorsed the sentiment expressed on the plate. The proposed "Choose Life" plate would create an inappropriate entanglement of State government and individual political and religious views, and could be construed as an unconstitutional State backing of religion. If the State did not also offer a license plate in support of a woman's right to choose abortion, it arguably would be engaging in discrimination and censorship. In the absence of a pro-choice alternative, the Choose Life plate has been the subject of litigation in several states based on First Amendment concerns.

Furthermore, it is possible that Choose Life Michigan would give crisis pregnancy centers (CPCs) some of the money raised through the proposed license plate sales. These centers are not regulated in any way, and sometimes give women false, misleading, and medically inaccurate information. In addition, women who visit CPCs often are subjected to overtly religious messages. The State should not indirectly enable or imply approval of these practices through the vehicle registration process.

Also, a license plate would be a relatively ineffective means of reducing abortion. It would be more productive to focus efforts and resources on the prevention of unintended pregnancy through direct educational efforts and increased access to contraception.

Legislative Analyst: Julie Cassidy

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 from the Choose Life Michigan 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 Fund, after which the State Treasurer would disburse payments from the Fund on a quarterly basis to Choose Life Michigan.

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.