Legislative Analysis



CREATE DUCKS UNLIMITED FUND

FOR SPECIALTY LICENSE PLATE DONATIONS

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http://www.house.mi.gov/hfa

House Bill 4337 (Substitute H-2)

(Enacted as Public Act 7 of 2013)

Sponsor: Rep. Dale Zorn

Committee: Transportation and Infrastructure

Complete to 3-12-13

A SUMMARY OF HOUSE BILL 4337 AS REPORTED FROM COMMITTEE ON 3-12-13

The bill would amend the Michigan Vehicle Code to require the State Treasurer, no later than June 1, 2014, to create the Ducks Unlimited Fund and require donations to be deposited into the fund for disbursement to the Michigan Chapter of Ducks Unlimited, Inc.

<u>House Bill 4337</u> is tie-barred to <u>Senate Bill 234</u>, which would create a Ducks Unlimited fund-raising license plate, as well as a matching collector plate. Senate Bill 234 is in the Senate Committee on Government Operations. The Vehicle Code requires that a start-up fee of \$15,000 be paid for any new fund-raising plate (presumably by the sponsor).

The money disbursed from the new fund could only be used to protect, enhance, restore, manage, and acquire wetlands and associated uplands in Michigan, although a portion of the money could be used to fund education and outreach regarding wetlands conservation and to cover reasonable costs for advertising and administration. Money disbursed to Michigan Chapter of Ducks Unlimited, Incorporated could only be spent in this state.

Under <u>House Bill 4337</u>, the new fund would be created within the state treasury with the Department of Treasury as the administrator. The State Treasurer could receive money or other assets from any source for deposit into the fund, direct the investment, and would be required to credit interest and earnings from fund investments. The treasurer would disburse money in the fund on a quarterly basis to the Michigan Chapter of Ducks Unlimited, Inc. Money in the fund at the close of the fiscal year would remain in the fund and could not lapse to the General Fund.

FISCAL IMPACT:

House Bill 4337 and Senate Bill 234 would have a nominal negative fiscal impact on the Department of State (DOS). The Michigan Chapter of Ducks Unlimited would be required to pay a start-up fee of \$15,000 to the DOS within 18 months of the passage of the public act authorizing the Ducks Unlimited fund-raising and collector plate. The \$15,000 does not entirely support the DOS' expenses of creating, producing, and issuing new fund-raising and collector plates. Additionally, DOS would collect a \$10 service fee for each newly issued Ducks Unlimited fund-raising or collector plate. Both the start-up

fee and the service fees would be deposited into the Transportation Administration Collection Fund. If the DOS does not issue at least 2,000 Ducks Unlimited fund-raising and collector plates during the first year and at least 500 new plates during subsequent years, it may cease the issuance of the plate.

POSITIONS:

Ducks Unlimited testified in support of the bill. (3-5-13)

Michigan United Conservation Clubs supports the bill. (3-5-13)

Department of State is neutral on the bill with effective date. (3-5-13)

Legislative Analyst: E. Best Fiscal Analyst: Paul Holland

[■] 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.