Legislative Analysis

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BREAST AND CERVICAL CANCER FUND-RAISING LICENSE PLATE

House Bill 5138 (reported from committee as Substitute H-1)
Sponsor: Rep. Amanda Price
House Committee: Transportation and Infrastructure

Senate Bill 101 (as introduced)
Sponsor: Sen. Glenn Anderson
Senate Committee: Transportation

Complete to 11-18-13

A SUMMARY OF HOUSE BILL 5138 AS REPORTED FROM HOUSE COMMITTEE ON 11-12-13 AND SENATE BILL 101 AS INTRODUCED 1-29-13

Together, these bills would create a fund-raising license plate recognizing the Michigan Breast and Cervical Cancer Control Program, with the proceeds to go to a new Breast and Cervical Cancer Awareness Fund. Money in that fund would be disbursed to the program, which is administered by the Department of Community Health.

House Bill 5138 would amend the Michigan Vehicle Code to create the new fund within the state treasury and requires money in the fund to be disbursed quarterly by the State Treasurer to the Breast and Cervical Cancer Control Fund. The Department of Community Health would have to report annually to the State Treasurer an accounting of money received and used. The Secretary of State would be the administrator of the new fund for auditing purposes. The bill is tie-barred to Senate Bill 101, which is in the Senate Transportation Committee, meaning it could not take effect unless Senate Bill 101 is also enacted.

Senate Bill 101, as introduced, would amend the Vehicle Code to require the Secretary of State to develop the fund-raising plate. The SOS would design the plate in conjunction with the Breast and Cervical Cancer Control Program. The bill would also create a Breast Cancer Awareness Fund to receive money from the sale of the fund-raising plates, with money to be disbursed quarterly to the program. Senate Bill 101 would require the Breast and Cervical Cancer Control Program to submit a summary of the expenditures during the preceding year of money received, not later than February 1, 2014.

(Presumably, if the two bills are to be taken together as a package, their contents will be reconciled during the legislative deliberations.)

Drivers pay a $35 fee for original fund-raising license plates, with $25 distributed to the special cause or university and $10 remaining with the Secretary of State. A $10 fee is charged when plates are renewed, with the entire amount going to the special cause or university.

FISCAL IMPACT:

Department of State Impact

The bill would have a nominal negative fiscal impact on the Department of State. Under the Michigan Vehicle Code, the Department would receive a non-refundable $15,000 start-up fee (presumably from the plate sponsors) for the cost of developing and producing the fund-raising plate, and individuals would pay a $10 service fee per plate. However, the Department of State reports that these fees do not fully offset the Department's costs.

Department of Community Health Fiscal Impact

The revenue generated by House Bill 5138 and Senate Bill 101 will benefit the Breast and Cervical Cancer Control Program within the Department of Community Health (DCH), and will be based on the number of plates purchased for this cause. DCH must first pay a one-time $15,000 fund-raising plate start-up fee to the Secretary of State. For each original fund-raising plate purchased, a $25 donation is made to the program, and a $10 donation for each renewal. Based on recent data, total revenue for a fund-raising plate may vary between $10,000 and $350,000 annually. Revenue from the purchase of non-university fund-raising plates has been declining in recent years, although rising for university plates. A fund-raising plate can be discontinued if sales are below target for the first six years.

The Breast and Cervical Cancer Control Program has provided access to cancer screening, follow-up care, and treatment services to low-income women since 1991, supported by federal and state funds. PA 134 of 2007 established Amanda's Fund for Breast Cancer Prevention and Treatment to support the program, from voluntary contributions from an income tax check-off. The check-off was included on income tax forms for two tax years, 2008 and 2009, and then discontinued as allowed under statutory provisions when a check-off fails to raise at least $100,000 for two consecutive tax years. Total revenue generated to Amanda's Fund over that period was $119,100.

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