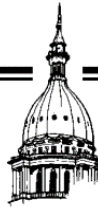




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BILL



ANALYSIS

**Telephone: (517) 373-5383**  
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Senate Bill 234 (as enacted)  
House Bill 4337 (as enacted)  
Sponsor: Senator Randy Richardville (S.B. 234)  
Representative Dale Zorn (H.B. 4337)  
Senate Committee: Government Operations (S.B. 234)  
House Committee: Transportation and Infrastructure

**PUBLIC ACT 6 of 2013**  
**PUBLIC ACT 7 of 2013**

Date Completed: 4-12-13

### **RATIONALE**

The Michigan Vehicle Code provides for the creation of fund-raising license plates that benefit 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. Originally, the Code limited the number of special-cause fund-raising plates to six; that limit was increased twice and then removed. Motorists may choose among fund-raising plates that support agricultural education programs, wildlife habitat protection, lighthouse preservation, organ donations, water quality protection, the Children's Trust Fund, the U.S. Olympic Education Center at Northern Michigan University, the Vietnam Veteran's Memorial Monument Fund, the American Red Cross and Salvation Army, and the Boy Scouts of America. It recently was suggested that a license plate also should be created in support of Ducks Unlimited, a nonprofit organization dedicated to wetlands preservation and restoration.

### **CONTENT**

**The bills amended the Michigan Vehicle Code to require the Secretary of State to develop a fund-raising plate recognizing Ducks Unlimited, and require the State Treasurer to create the "Ducks Unlimited Fund".**

The bills were tie-barred and took effect on March 30, 2013.

### **Senate Bill 234**

By June 1, 2014, the bill requires the Secretary of State to develop, and permits the Secretary to State to issue, a fund-raising plate and a matching collector plate recognizing Ducks Unlimited. The words "Ducks Unlimited" must be inscribed on the plates.

The Secretary of State must transfer the fund-raising donations received from the sale of the plates to the State Treasurer, who must credit the money to the Ducks Unlimited Fund.

### **House Bill 4337**

The bill requires the State Treasurer, by June 1, 2014, to create the Ducks Unlimited Fund within the State Treasury. The State Treasurer must distribute money in the Fund on a quarterly basis to the Michigan Chapter of Ducks Unlimited, Inc. The money may be spent only to protect, enhance, restore, manage, and acquire wetlands and associated uplands in the State, except that a portion may be used to fund education and outreach regarding wetland conservation and to cover reasonable costs of advertising and administration. Money distributed to the Michigan Chapter of Ducks Unlimited, Inc., under the bill may be spent only in this State.

The State Treasurer may receive money or other assets from any source for deposit into the Fund. The Treasurer must direct the Fund's investment and credit to it interest and earnings from investments. Money in the Fund at the close of the fiscal year must

remain in the Fund and not lapse to the General Fund. The Department of Treasury must be the administrator of the Fund for auditing purposes.

MCL 257.811v (S.B. 234)  
257.811w (H.B. 4337)

## **BACKGROUND**

Under the Michigan Vehicle Code, the Secretary of State may not develop or issue a 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 raised through the sale of the fund-raising plates and matching collector plates; and names the person or entity responsible for administering the fund.

The Code prescribes a start-up fee of \$15,000 for any new fund-raising plate. In addition, a fund-raising plate must meet or exceed sales goals of 2,000 in the first year and 500 each year for the next five years. The Secretary of State may discontinue a fund-raising plate that fails to meet the sales goals.

## **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 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. The Michigan Chapter has approximately 26,000 members, who are in every county of the State. Projects completed by the organization and its partners since 1985 have conserved more than 72,000 acres of wetlands and adjacent uplands in Michigan, investing approximately \$27.0 million, according to testimony submitted on behalf of Ducks Limited.

Wetlands contribute to a healthy environment in a variety of ways. In addition to providing a habitat for waterfowl, wildlife, and endangered plants, wetlands serve as filters that clean drinking water, as well as sponges for holding flood water and reducing flood damage. Wetlands also

provide recreational opportunities and contribute to the economy. They provide places for people to hunt, fish, trap, watch birds, and otherwise enjoy the outdoors. In addition, the restoration and conservation of wetlands create employment opportunities for biologists and engineers, local contractors, and other businesses.

The bills will allow Ducks Unlimited members and other motorists to show support for the organization and contribute to the preservation of wetlands by purchasing a Ducks Unlimited license plate. In addition to the money raised directly from sales of the plate, the public awareness it generates could spur additional contributions from the private sector to Ducks Unlimited. Furthermore, the organization can use the revenue as matching funds for Federal, State, and private grants. In the past, Ducks Unlimited reportedly has been able to leverage each dollar it receives four times, multiplying the benefits and further increasing the organization's ability to preserve and restore wetlands in the State.

Legislative Analyst: Suzanne Lowe

## **FISCAL IMPACT**

Senate Bill 234 will create a start-up cost to the Department of State; however, the start-up fee of \$15,000 prescribed in the Code will have to be paid to the Department of State from the new Ducks Unlimited Fund created under House Bill 4337. The revenue generated from the fund-raising license plate will be deposited into the Fund, after which the State Treasurer will disburse payments from the Fund on a quarterly basis to the Michigan Chapter of Ducks Unlimited.

The bills will have no fiscal impact on local government.

Fiscal Analyst: Joe Carrasco

### **A1314\S234a.**

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.