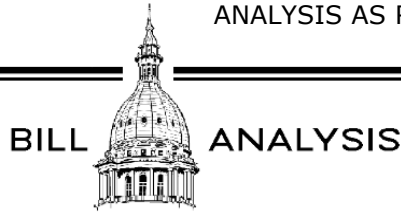




Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 84 (Substitute S-1 as reported)
Sponsor: Senator Patrick J. Colbeck
Committee: Transportation

Date Completed: 3-13-15

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), by October 1, 2015, to develop and issue a fund-raising license plate recognizing the Choose Life Michigan Fund.**
- Create the "Choose Life Fund" and require donations for the plates to be deposited into the Fund.**
- Require the money in the proposed Fund to be disbursed to the Choose Life Michigan Fund for distribution to nonprofit organizations that promote alternatives to abortion.**

The bill would take effect 90 days after it was enacted.

Specifically, the bill would require the SOS to develop under Section 811e and issue under Section 811f a fund-raising plate recognizing the Choose Life Michigan Fund. The SOS would have to design the plate in conjunction with the board of the Choose Life Michigan Fund.

(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 received 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 Fund within the State Treasury. The State Treasurer could receive money or other assets from any source for deposit into the Fund. The State Treasurer would have to direct the investment of the Fund, and credit to it any interest and earnings from the investments. 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 fund-raising plates to the State Treasurer, who would have to credit the money to the proposed Choose Life Fund. On an annual basis, the State Treasurer would have to disburse money in the proposed Fund to the Choose Life Michigan Fund. The SOS would be the administrator of the proposed Fund for auditing purposes.

Money disbursed to the Choose Life Michigan Fund would have to be distributed to eligible nonprofit organizations that are exempt from taxation under the Internal Revenue Code to be spent on projects that promote alternatives to abortion.

"Eligible nonprofit organizations" would include crisis pregnancy centers, homes for pregnant women, and other organizations that provide practical support to pregnant women, provide outreach to at-risk populations, and promote life-saving programs and projects as alternatives to abortion.

"Projects that promote alternatives to abortion" would include media campaigns; specialty outreach to at-risk populations, including minorities, teenagers, college-aged women, and post-abortive women; and campaigns to promote adoption.

Proposed MCL 257.811aa

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, 29 other states and Washington, D.C., offer a "Choose Life" license plate. Sales in these jurisdictions have raised more than \$21.0 million nationwide, indicating that there would be considerable demand for the plate in Michigan. Right to Life of Michigan reports that it would work with the Choose Life umbrella organization to provide the start-up fee, and anticipates that the sales goals prescribed in the Vehicle Code could be met and a significant amount of revenue generated from the organization's sizable base of supporters.

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, with mixed results.

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. Some people are concerned that these organizations are motivated not only by a desire to discourage abortion, but also to serve as a conduit for adoption agencies. The State should not indirectly enable or imply approval of these practices through the vehicle registration process. If CPCs are to receive funding through this mechanism, the State should develop a system for licensing and oversight of such organizations.

The most effective way to reduce abortion is through the prevention of unintended pregnancies. The bill, however, would not include unintended pregnancy prevention in the definition of "projects that promote alternatives to abortion", and the organizations eligible for funds raised under the bill would not include family planning centers, which focus on direct educational efforts and increased access to contraception. Additionally, the bill refers to organizations that provide practical support to pregnant women; it is not only pregnant women, however, who need support in making reproductive health care decisions. The bill should expand the eligibility criteria to include organizations that provide support and health care to all women of child-bearing age.

Moreover, the umbrella organization that would receive the money for distribution does not itself provide services to pregnant women. Also, the bill would allow the funds to be spent on media campaigns. This raises concern that money from the license plate sales might be used for political activities and the promotion of ideology rather than for tangible support to women in need. The bill should limit uses of the money to services that are directly related to women's health and welfare.

Opposing Argument

The bill's language regarding "life-saving" programs and projects presumably is in reference to the life of the fetus, relegating the life of the pregnant woman to a secondary concern. Pregnancy is a medical condition that can become life-threatening to the expectant woman, and giving birth is a life-altering event, even if the child is given up for adoption. This provision should be revised so as not to prioritize the fetus over the life of the woman who is carrying the fetus.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would create a start-up cost to the Department of State; however, the start-up fee of \$15,000 prescribed in the Code would have to be paid to the Department of State from the Choose Life Fund proposed by the bill. The revenue generated from the fund-raising license plate would be deposited into the Fund, after which the State Treasurer would disburse payments from the Fund on a yearly basis to the Choose Life Michigan Fund.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Joe Carrasco

SAS\A1516\s84a

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.