



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

BILL



ANALYSIS

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

House Bill 5447 (Substitute H-3 as reported without amendment)

Sponsor: Representative Peter Pettalia

House Committee: Transportation and Infrastructure

Senate Committee: Transportation

CONTENT

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

- Revise the start-up fee required for a fund-raising plate, from \$15,000 to an amount equal to a three-year average of the cost to the Secretary of State (SOS) of developing a new fund-raising plate, as calculated by the SOS on January 1 of each year.
- Limit to 10 the number of different State-sponsored fund-raising plates that the SOS may develop, produce, or issue at any one time; and provide that the limit would not apply to fund-raising plates available on the bill's effective date or university plates.
- Require a State-sponsored fund-raising plate to meet or exceed a sales goal of 500 original plates for each consecutive two-year period after the first five years the plate was sold.
- Require, instead of allow, the SOS to cease issuing a fund-raising plate or issuing a duplicate replacement of a fund-raising plate if that plate failed to meet a sales goal, unless the failure occurred before the bill's effective date.
- Prohibit a nonprofit fund from spending outside of the State money received from the sale of a fund-raising plate and matching collector plate.
- Delete the sunset of October 1, 2019, on provisions that require the SOS to credit certain fund-raising plate fees to the Transportation Administration Collection Fund.

MCL 257.811e & 257.811h

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The Department of State indicates that the bill would have a positive but minimal fiscal impact on the Department. The proposal to require the Department to calculate the start-up fee for a new fund-raising plate using a three-year average would better reflect the Department's actual cost to create a new plate. According to the Department, the latest three-year average cost is estimated at \$100,000, which would result in a small saving to the Department. The impact on the Transportation Administration Collection Fund as a result of the cost saving due to three-year averaging also would be minimal.

The bill would have no fiscal impact on local government.

Date Completed: 10-10-16

Fiscal Analyst: Joe Carrasco