



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 268 (as introduced 3-23-17)
Sponsor: Senator Vincent Gregory
Committee: Transportation

Date Completed: 2-14-18

CONTENT

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

- **Require the Secretary of State (SOS) to develop and issue a fund-raising plate recognizing women veterans.**
- **Create the "Women Veterans Fund" within the State Treasury and require the donation money from the sale of the plates to be deposited into the Fund.**
- **Require the money in the proposed Fund to be disbursed on a quarterly basis to the Michigan Veterans' Trust Fund.**

Specifically, the bill would require the SOS to develop under Section 811e of the Code and issue under Section 811f of the Code a fund-raising plate recognizing women veterans. The SOS would have to design the plate.

(Section 811e of the Code prescribes a start-up fee for any new fund-raising plate in an amount equal to a three-year average cost to the SOS of developing a new plate, as calculated by the SOS on January 1 of each year. 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. If the fee is not paid within 18 months after the effective date of the public act that authorizes the development and issuance of a fund-raising plate, the SOS may not create, produce, or issue the related plate. The SOS 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 plates and matching collector plates; and, if a fund is created, names the person or entity responsible for administering it.

Section 811f authorizes the SOS to issue a fund-raising plate instead of a standard registration plate upon application, which must be accompanied by a \$25 fund-raising donation, payment of the regular vehicle registration tax prescribed in the Code, and a \$10 service fee.)

The bill would create the Women Veterans 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 interest and earnings from Fund investments. Money in the Fund at the close of the fiscal year would have to remain in the Fund and would not lapse to the General Fund. The SOS would be the administrator of the Fund for auditing purposes.

The SOS would have to transfer the donation money from the sale of fund-raising plates

recognizing women veterans to the State Treasurer, who would have to credit the donation money to the proposed Fund.

The State Treasurer would have to disburse money in the proposed Fund on a quarterly basis to the Michigan Veterans' Trust Fund established under Article IX, Section 37 of the State Constitution of 1963.

(Section 37 creates the Michigan Veterans' Trust Fund within the Department of Treasury and establishes the Fund's board of trustees. An expenditure or transfer of a Fund asset, interest, or earnings may be made only upon the authorization of a majority of the members of the board of trustees. The board may not authorize an expenditure or transfer unless it determines that the expenditure or transfer is for the benefit of veterans or their spouses or dependents.)

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

Proposed MCL 257.811aa

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would create a start-up cost to the Department of State; however, the start-up fee prescribed in the Code (currently estimated at \$90,000) would have to be paid to the Department of State from the Women Veterans 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 quarterly basis to the Michigan Veterans' Trust Fund established in the Michigan Constitution.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Joe Carrasco

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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.