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LICENSE PLATES FOR THE VIETNAM VETERANS MEMORIAL FUND

House Bill 4879 as introduced First Analysis (10-12-99)

Sponsor: Rep. Sue Rocca
Committee: Veterans Affairs

THE APPARENT PROBLEM:

Public Act 234 of 1988 created the Vietnam Veterans' Memorial Monument Fund to authorize the creation of a state monument to Vietnam veterans. Although the act didn't appropriate any funding for the project, in fiscal year 1996-97, the legislature appropriated \$1 million from state general funds towards the design and construction of the memorial monument. This state appropriation reportedly was to serve as a catalyst for the commission to raise the estimated additional \$1.3 million that would be needed to complete the project.

The monument reportedly is to be built in a 2.6-acre park, just west of the Capitol Building, honoring Michigan veterans of all wars. Like the national monument in Washington D.C., the state memorial monument would have a 108-foot-long steel wall listing the names of the state's 2,469 residents killed or missing in action in the Vietnam War, and would include an eight-foot high arc of steel suspended 2.5 feet above a glass pathway.

The 1988 act authorizing the creation of the monument project also created a Monument Fund Commission to raise the additional money needed to complete the design and construction of the memorial monument. The commission has tried a number of fundraising efforts. These include the sale of a lapel pin for \$26.49 each (this is sometimes known as the "penny a life" campaign, because the price of the pin comes to a penny for each of the 2,649 killed or missing service people), which is the commission's oldest, and ongoing, effort. In addition, there have been a mass mailing campaign in 1988, an ongoing "buy a brick" campaign started in 1998 (in which anyone can buy a brick, for \$100 to \$225 each, to honor any Michigan veteran), a black-tie dinner in March 1999 (which reportedly raised \$7,500), and campaigning for "in-kind" donations (such as gravel, landscaping, etc.). In addition, commission members visit veterans'

organizations to hand out literature on the project and to solicit pledges, and a project is being planned for the year 2000 that would include hiring a professional fundraising company to solicit corporate donations.

Despite all these efforts, the total net revenue raised for the monument memorial for fiscal years 1996-98 reportedly came to only \$232,000, and as of August 1999 the fund had received state and public revenues totaling over \$1.8 million and spent slightly more than \$700,000. Some people believe that further state help to the memorial monument project should be given, and legislation has been introduced to do that.

THE CONTENT OF THE BILL:

The bill would add a new section to the Michigan Vehicle Code to require the secretary of state to develop and issue a "Michigan veterans memorial registration plate" that would contain a specialized design pertaining to Michigan veterans, with the service fees from such license plates going to the Vietnam Veterans Memorial Fund.

Design. The secretary of state would determine the design of the plate and prescribe the numbers and letters that would appear on the plate, but the word "Michigan" would have to be included on each such license plate.

Service fees. A license plate applicant could apply for a special "Michigan veterans memorial" plate instead of a regular license plate under the vehicle code's applications procedures, and would have to pay both the regular license plate tax and a service fee. The service fee for an original plate would be \$3 for the first month and \$2 a month for each additional month during the registration period. For a renewal plate, the service fee would be \$10. The bill would allow the

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secretary of state to issue a temporary registration, without a separate fee, if the applicant's current vehicle registration would expire before he or she received the special plate. A temporary registration would expire either when the applicant received the special plate or 60 days after the plate was issued, whichever occurred first.

Vietnam veterans memorial monument fund. The secretary of state would have to identify and segregate into a separate account service fees that he or she collected from Michigan veterans memorial plates. After deducting the manufacturing and administrative costs (including the costs associated with issuing, replacing, and substituting plates), the secretary of state would transfer the service fees every quarter to the state treasurer, who would have to credit the fee money to the Vietnam Veterans Memorial Monument Fund.

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BACKGROUND INFORMATION:

According to the House Fiscal Agency, the Department of State says that there are a total of 52,745 active veterans' license plates of various types. Currently, the Michigan Vehicle Code authorizes the following special veterans' license plates: Congressional medal of honor, totally disabled veterans, Korean War veterans, Vietnam War veterans, World II veterans, ex-prisoners of war, World War I veterans, Pearl Harbor survivors, and Purple Heart medalists.

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, the bill would result in an indeterminate increase in revenues, depending on how many people applied for one of the proposed special license plates.

ARGUMENTS:

For:

Although the Vietnam Veterans Memorial Monument Fund Commission has worked hard to raise funds to complete the project, it has not met with much success. For example, although the goal of the "buy a brick" campaign was to sell 5,000 bricks for between \$100 and \$225 each, reportedly only 510 bricks have been sold so far. Similarly, although commission members have visited various veterans' organizations in search of pledges, they reportedly have not been very successful in collecting pledges. Although the commission reportedly has hired a professional

fundraising company to solicit corporate donations, fundraising efforts to raise enough money to build the memorial monument clearly could use a boost. The bill would do just this, without committing any more money from state general funds, and, given the proven success of existing veterans' license plate programs, it could provide just the fundraising boost needed. As a *Lansing State Journal* editorial eloquently points out, "Of the 400,000 Michigan citizens who served in the Vietnam War, 2,649 of them never came back. They were our brothers and cousins, fathers and sons. They were kin. They were friends. We owe them all – those who died and those who survived – a testament to their sacrifice." And as another editorial, in *The Macomb Daily*, points out, regardless of anyone's personal view on the war itself, the men and women who paid the supreme sacrifice deserve to be remembered. By contributing to the funding of the memorial monument, the bill would do just that.

Response:

The Vietnam Memorial Monument Commission's lack of success in raising enough money to complete the memorial monument, after the state's contribution of \$1 million, could suggest that not enough people – including not enough veterans and their families – are interested in the project to contribute money to building it. Since the memorial monument's enabling legislation, Public Act 234 of 1988, did not include state funding for the memorial monument and assumed that it would be built out of private donations, perhaps the failure of the fundraising effort so far is an indication that the project was not meant to be. Moreover, given questions raised by the auditor general's audit (covering the period between October 1, 1995 through September 30, 1997) about some of the inventory records used by the Department of Military and Veterans Affairs to distribute and sell lapel pins to raise money for the monument, perhaps further state efforts at aiding the funding should be put off until this matter is cleared up.

Against:

The bill raises a more general public policy concern about the apparent ambivalence of the state legislature to fund what traditionally might be considered legitimate functions of the state government. That is, the trend seems to be for the legislature to recognize certain projects as worthy of being funded to further the public interest, but to be reluctant to appropriate state general fund money to carry out these traditional government functions. For example, in the last legislative session alone, bills were introduced to create special ("vanity") license plates to fund a whole variety of what previously would have been considered appropriate to the regular appropriations process. These included bills for special license plates to fund, variously, instructional services and academic research at state universities, highway cleanup, state parks improvement,

land and water management and protection (including, specifically, environmental cleanup of Lake St. Clair), early childhood development programs, county public art, maintenance of critical wildlife habitat, and the Michigan trailways program. Perhaps instead of essentially privatizing the funding of critical public health and welfare programs, a return to public funding of these public programs should be considered.

POSITIONS:

The Department of Military and Veterans Affairs supports the bill. (10-11-99)

Analyst: S. Ekstrom

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.