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Senate Bill 193 (Substitute S-3 as passed by the Senate)

Sponsor: Senator Bruce Patterson

Committee: Local, Urban and State Affairs

Date Completed: 2-4-04

RATIONALE

The Michigan Vehicle Code authorizes the Secretary of State (SOS) to develop and issue up to seven fund-raising registration plates, in addition to plates that raise money for universities in Michigan and other specialty plates. Originally, the only available fund-raising plate was the Olympic plate, which raises money for the Olympic Training Center at Northern Michigan University. Presently, donations paid for State-sponsored fund-raising plates also benefit the Children's Trust Fund, critical nongame wildlife habitat, agricultural heritage, lighthouse preservation, and water quality. The most recently authorized fund-raising plate is the "Proud to be American" plate, which supports American Red Cross relief and the Salvation Army. Some people believe that an additional fund-raising plate should be authorized for the Michigan Chapter of Ducks Unlimited, Inc.

CONTENT

The bill would amend the Michigan Vehicle Code to require the Secretary of State to develop a fund-raising registration plate inscribed with the words "Ducks Unlimited"; permit the SOS to issue a matching collector plate; and require fund-raising donations collected for the plates to be disbursed to the Michigan Chapter of Ducks Unlimited for the protection, enhancement, restoration, management, and acquisition of wetlands and associated uplands in this State. The bill is tie-barred to Senate Bill 785, which would require a \$15,000 start-up fee for new fund-raising plates; set sales goals for new fund-raising plates; and delete the seven-plate limit on fund-raising plates.

Under the Code, the SOS may issue a fund-raising plate, instead of a standard registration plate, to an applicant for use on a motor

vehicle. An application for an original fund-raising plate must be accompanied by a \$25 donation, payment of the regular registration tax, and a \$10 service fee. An application for renewal of a fund-raising plate must be accompanied by payment of the regular registration tax and a \$10 donation. A collector's plate requires a \$25 donation and a \$10 service fee.

The bill would require the SOS to transfer the donations received from the sale of the Ducks Unlimited plates to the State Treasurer. The Treasurer would have to credit the money to the "Ducks Unlimited Fund", which the bill would establish. On a quarterly basis, the State Treasurer would have to disburse money in the Fund to the Michigan Chapter of Ducks Unlimited, Inc. The organization could spend the money only to protect, enhance, restore, manage, and acquire wetlands and associated uplands in this State.

The Michigan Chapter of Ducks Unlimited, Inc. would have give to the Department of Treasury an annual accounting of money received and used under the bill.

The bill would create the Ducks Unlimited Fund in the State Treasury. The Treasurer could receive money or other assets from any source for deposit into the Fund. The Treasurer would have to direct 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 not lapse to the General Fund.

Proposed MCL 257.811q

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, Inc. was founded by a group of wildlife hunters more than 65 years ago. Compared with the general public, hunters are more interested in wildlife issues and contribute more to conservation efforts, according to a study by Ducks Unlimited. Each year, the United States loses more than 100,000 acres of vegetated wetlands, which are home to approximately 900 species, many of them threatened or endangered. Through the support of its members, Ducks Unlimited has been able to conserve more than 10 million acres of habitat across North America--in the areas that are most important to ducks and geese. The organization puts nearly 80% of all funds directly into on-the-ground habitat projects that benefit waterfowl and other species and improve the general health of the environment by purifying groundwater, moderating floods, and reducing soil erosion.

Reportedly, 14 other states have similar specialty plates that raise money for waterfowl habitat preservation, and the plates have been successful, particularly in Ohio. Several of the fund-raising plates currently offered in Michigan have raised a significant amount of money. The proposed specialty license plate would offer a convenient, inexpensive way for people to contribute to Ducks Unlimited and support its conservation efforts in Michigan.

Opposing Argument

There are numerous worthy causes that also could benefit from a specialty fund-raising license plate. The SOS already may issue seven specialty license plates. A wider variety of license plates could be inconvenient for police, who might not be able to identify a Michigan motorist quickly.

Response: All specialty license plates have a consistent format, which makes it easy for police to identify them as Michigan license plates. The plates have the same layout and a specific area of each plate is designated for a picture representing the fund to which the donation goes. Presumably, the new plate would follow this format.

Legislative Analyst: Julie Koval

FISCAL IMPACT

In FY 2001-02, fund-raising plates for special causes totaled 75,307 transactions generating \$1,535,900 in revenue sent to the special

causes. Transactions for University plates totaled 69,890 in FY 2001-02 with \$1,089,775 in revenue sent to universities.

This bill is tie-barred to Senate Bill 785, which would provide for a start-up fee for new plates and minimum sales goals for continuation of the plates.

Fiscal Analyst: Bill Bowerman

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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.