

Senate Bill 1104 (as introduced 9-10-20)
Sponsor: Senator Ed McBroom
Committee: Transportation and Infrastructure

Date Completed: 9-30-20

CONTENT

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

- **Require the Secretary of State (SOS) to develop and issue a Great Lakes Sports Commission fund-raising plate that recognized the Upper Peninsula.**
- **Create the Great Lakes Sports Commission Fund within the State Treasury and allow the State Treasurer to receive money or other assets from any source for deposit into the fund.**
- **Require the State Treasurer to disburse money in the Fund to the Great Lakes Sports Commission on a quarterly basis.**
- **Beginning not later than March 31, 2021, require the Great Lakes Sports Commission to submit to the State Treasurer a summary of the expenditures during the preceding year of the money received.**

Specifically, the bill would require the SOS, to develop under Section 811e and issue under Section 811f a fund-raising plate recognizing the Upper Peninsula. The SOS in conjunction with the Great Lakes Sports Commission would have to design the fund-raising plate and the plate would have to include the outline of the map of the Upper Peninsula. The owner of a vehicle required to be registered under the Code could apply, on a form prescribed by the SOS, for the fundraising 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 of the cost to the SOS of developing a new plate, as calculated by the SOS on January 1 of each year, and requires the fee to 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 also would create the Great Lakes Sports Commission 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 direct the investment of the fund and would have to 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 could not lapse to the General Fund.

The SOS would have to transfer the donation money from the sale of fund-raising plates recognizing the Upper Peninsula to the State Treasurer who would have to credit the donation money to the Great Lakes Sports Commission Fund. The State Treasurer also would have to disburse money in the Fund on a quarterly basis to the Great Lakes Sports Commission and, beginning not later than March 31, 2021, the Commission would have to submit to the State Treasurer a summary of the expenditures during the preceding year of the money received.

Proposed MCL 257.811aa

BACKGROUND

According to its website, the Great Lakes Sports Commission is a nonprofit organization "dedicated to promoting Michigan as a premier destination for recreation, sports, and tourism". The Commission was created originally under Executive Order 1987-4 and continued until the Order was repealed in 2004. In 2018, legislation allocated money to a reestablished Great Lakes Sports Commission. Today, the Commission serves the 36-county northern Michigan region.

Legislative Analyst: Tyler VanHuyse

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 Great Lakes Sports Commission 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 Great Lakes Sports Commission.

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.