



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

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 162 (as introduced 2-17-11)
Sponsor: Senator John Pappageorge
Committee: Transportation

Date Completed: 6-6-11

CONTENT

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

- **Remove the limit on State-sponsored fund-raising license plates.**
- **Require the Secretary of State (SOS) to develop and issue a fund-raising plate recognizing the Michigan Humane Society.**
- **Create the "Michigan Humane Society Fund" and require donations for those plates to be deposited into the Fund.**
- **Require money in the Fund to be disbursed to the Michigan Humane Society for pet sterilization.**

The Code allows the SOS, at one time, to develop up to eight State-sponsored fund-raising registration plates and matching State-sponsored collector plates. The bill would remove that limit on the number of plates.

The bill would require the SOS to develop under Section 811e and issue under Section 811f a fund-raising plate recognizing the Michigan Humane Society. The SOS would have to design the fund-raising plate in conjunction with that organization.

(Section 811e permits the SOS to develop a fund-raising plate under certain conditions. A start-up fee of \$15,000 must be paid for any new fund-raising plate, to be used for the cost of creating, producing, and issuing the plate. Under Section 811f, an application for an original fund-raising plate must be accompanied by a \$25 fund-raising donation, payment of the regular vehicle registration tax, and a \$10 service fee. Renewal of a fund-raising plate requires payment of the required registration tax and a \$10 fund-raising fee.)

The bill would create the Michigan Humane Society Fund within the State Treasury. The SOS would have to transfer the donation money from the sale of the plate to the State Treasurer, who would have to credit the money to the Fund. The State Treasurer would have to disburse money in the Fund on a quarterly basis to the Michigan Humane Society for the purpose of pet sterilization.

The Michigan Department of Agriculture and Rural Development would be the administrator of the Fund for auditing purposes. The Treasurer could receive money or other assets from any source for deposit into the Fund. The 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 not lapse into the State General Fund.

Beginning not later than February 1, 2013, the Michigan Humane Society would have to submit to the State Treasurer a summary of the previous year's expenditures of the money received under the bill.

MCL 257.811e et al.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would create a start-up cost to the Department of State. The start-up fee of \$15,000 prescribed in the Code could be paid to the Department of State from the Michigan Humane Society Fund proposed in the bill; however, the bill does not include such a requirement. The revenue generated from the fund-raising license plate established under the bill would be deposited into the proposed Fund, after which the State Treasurer would disburse payments from the Fund on a quarterly basis to the Michigan Humane Society.

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.