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BILL



ANALYSIS

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Senate Bill 869 (Substitute S-1 as reported)  
Sponsor: Senator Tom Casperson  
Committee: Transportation

Date Completed: 1-30-12

### **RATIONALE**

The Michigan Vehicle Code provides for the creation of State-sponsored fund-raising license plates for the benefit of specific charitable causes. Purchasers of a fund-raising plate must pay a \$25 donation and a \$10 service fee above the cost of a standard plate. The \$25 is then deposited into a designated fund to be used for the cause associated with the plate. Fund-raising plates are currently available to support agriculture education programs for grades K-12, Boy Scouts of America, the Children's Trust Fund, lighthouse preservation, water quality, wildlife habitat, and several other causes, as well as Michigan's 15 State-supported universities. It has been suggested that license plates featuring the logos of the Detroit Red Wings, Lions, Tigers, and Pistons, as well as NASCAR, should be created with the proceeds going to support charitable foundations run by these entities.

### **CONTENT**

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

- **Provide for fund-raising plates or collector plates recognizing the Detroit Red Wings, the Detroit Tigers, the Detroit Lions, the Detroit Pistons, and NASCAR.**
- **Create the "Detroit Red Wings Fund", the "Detroit Tigers Fund", the "Detroit Lions Fund", the "Detroit Pistons Fund", and the "NASCAR Foundation Fund".**
- **Require donations for the proposed plates to be deposited into the respective Fund, to be distributed to the Detroit Red Wings Foundation,**

**the Detroit Tigers Foundation, the Detroit Lions Charities, the Pistons-Palace Foundation, and the NASCAR Foundation, as applicable.**

A fund-raising plate or collector plate recognizing the Detroit Red Wings, the Detroit Tigers, the Detroit Lions, the Detroit Pistons, or NASCAR would have to bear an appropriate logo. Each of the teams, or a NASCAR representative or agent, as applicable, would have to submit a design for its logo to the Secretary of State (SOS). The SOS would have to confer with the Michigan Department of State Police to ensure that the designs would not compromise the ability of law enforcement agencies to identify specific vehicles accurately.

Registration plates bearing a Detroit Red Wings, Detroit Tigers, Detroit Lions, Detroit Pistons, or NASCAR logo could not duplicate another registration plate. Each of the teams and NASCAR would have to comply with certain provisions in the Code regarding the design of special organization plates.

The bill would create the Detroit Red Wings Fund, the Detroit Tigers Fund, the Detroit Lions Fund, the Detroit Pistons Fund, and the NASCAR Foundation Fund within the State Treasury. The State Treasurer could receive money or other assets from any source for deposit into the Funds. The Treasurer would have to direct the investment of the Funds and credit to them interest and earnings from Fund investments. Money in the Funds at the close of the fiscal year would have to remain in the Funds and not lapse to the State General Fund.

The SOS would have to transfer the donation money from the sale of fund-raising plates recognizing the teams and NASCAR to the State Treasurer, who would have to credit the donation money to the appropriate Fund. The State Treasurer would have to disburse money in the Funds on a quarterly basis to the Detroit Red Wings Foundation, the Detroit Tigers Foundation, the Detroit Lions Charities, the Pistons-Palace Foundation, and the NASCAR Foundation, as applicable.

Proposed MCL 257.811s-257.811w

## **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**

While the Detroit Red Wings, Tigers, Lions, and Pistons, as well as NASCAR, are all well known sports franchises, many are unaware of the charitable foundations that the teams and NASCAR have established to help support and improve their surrounding communities.

The Detroit Red Wings Foundation supports nonprofit charitable organizations that provide athletic and educational programs for children and young people in the Detroit area. The Foundation offers grants for nonprofit organizations that promote hockey, health and nutrition, education, or recreation.

The Detroit Tigers Foundation was created in 2005, with the stated mission "to use the game of baseball to enhance the quality of life in our community with a focus on growth, education and recreation", according to the team's website. The Foundation funds field renovations and other projects to benefit baseball programs for youths in the Detroit area, and also donates free game tickets to be distributed to low-income children so those who otherwise might not be able to afford to attend the games can do so.

The Detroit Lions Charities supports charitable causes across Michigan, including grants to a local area football league for young people in Detroit, the Detroit Lions Academy, and the Athletes with Disabilities Hall of Fame.

The Pistons-Palace Foundation engages in a number of charitable activities to serve Detroit residents, including a major initiative to help support the maintenance and improvement of city parks. The Foundation also provides information and other assistance to help low-income individuals purchase homes within Detroit, distributes food and gifts to families in need during the holidays, and participates in a program that provides bicycles to disadvantaged youths.

According to the NASCAR Foundation's website, the organization "...seeks to raise funds and increase volunteerism to support nonprofit charities and charitable causes throughout the nation with an emphasis placed on initiatives that affect the ability of children to live, learn and play." The Foundation's activities include providing medical treatment for thousands of children, sending children with chronic medical conditions and serious illnesses to camp, the recruitment of more than 12,000 NASCAR fans to a volunteer network, and providing science- and engineering-related educational opportunities for schoolchildren.

The activities of these five charitable organizations help strengthen the community and promote athleticism among young people. The bill would allow the creation of fund-raising license plates that would generate additional revenue for those organizations, giving them the resources to be even more effective in pursuing their respective missions.

State-sponsored fund-raising license plates have been shown to be an effective means of generating donations for charitable causes. The plates are popular with motorists as a way of supporting a cause while publicly displaying that support. Because the license plates feature a logo or design representing the cause or charitable organization, they also serve to raise the profile of the organization, potentially generating additional donations beyond the money raised directly.

The logos of the professional Detroit sports teams could be particularly popular, because they are widely recognized nationwide and are a source of pride for many Michigan residents. The NASCAR logo also could spur robust sales due to its nationwide familiarity and the presence of the Michigan

International Speedway. The fund-raising plates under the bill would give fans an opportunity to display those logos on their license plates, while supporting the work of their charitable foundations.

**Response:** The proposed plates might support worthy causes; however, for law enforcement purposes, it is preferable to minimize the number of different designs, so officers are able to distinguish Michigan plates from out-of-State plates quickly and accurately.

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 for each new plate could be paid to the Department, separately from the Detroit Red Wings Fund, the Detroit Tigers Fund, the Detroit Lions Fund, the Detroit Pistons Fund, and the NASCAR Foundation Fund proposed in the bill; however, the bill does not include such a requirement. The State Treasurer would disburse payments from the Funds on a quarterly basis to each respective foundation.

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.