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Senate Bill 186 (Substitute S-1) Sponsor: Senator Jim Stamas Committee: Transportation

Date Completed: 5-13-15

## **CONTENT**

Senate Fiscal Agency

Lansing, Michigan 48909-7536

P. O. Box 30036

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

- -- Require the Secretary of State (SOS), by October 1, 2015, to develop and issue fund-raising plates or collector plates recognizing the Detroit Red Wings, the Detroit Tigers, the Detroit Lions, the Detroit Pistons, and Michigan International Speedway (MIS).
- -- Create the "Detroit Red Wings Fund", the "Detroit Tigers Fund", the "Detroit Lions Fund", the "Detroit Pistons Fund", and the "MIS Cares 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 Come Together Foundation, and MIS Cares, as applicable.
- -- Require each of those foundations to disburse the money to tax-exempt eligible nonprofit organizations.

Specifically, by October 1, 2015, the SOS would have to develop under Section 811e and issue under Section 811f fund-raising or collector plates recognizing the Detroit Red Wings, the Detroit Tigers, the Detroit Lions, the Detroit Pistons, and MIS. Each plate would have to bear an appropriate logo. Each of the teams, or a representative or agent of MIS, as applicable, would have to submit a design for its logo to the SOS.

(Section 811e prescribes a \$15,000 start-up fee for any new fund-raising plate and requires it to be deposited in the Transportation Administration Collection Fund through October 1, 2015, to be used for the cost of creating, producing, and issuing fund-raising plates. 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 would create the Detroit Red Wings Fund, the Detroit Tigers Fund, the Detroit Lions Fund, the Detroit Pistons Fund, and the MIS Cares 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 State Treasurer would be the administrator of the Funds for auditing purposes.

The SOS would have to transfer the donation money from the sale of fund-raising plates recognizing the teams and MIS 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 Come Together Foundation, and MIS Cares, as applicable.

Money disbursed to the foundations under the bill would have to be distributed to eligible nonprofit organizations that were exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

The bill would take effect 90 days after it was enacted.

Proposed MCL 257.811cc-257.811gg

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 would be paid to the Department by the sponsoring entities; however, the bill does not include such a requirement. The State Treasurer would disburse payments from the Funds on a quarterly basis to the Detroit Red Wings Foundation, the Detroit Tigers Foundation, the Detroit Lions Charities, the Come Together Foundation, and MIS Cares, which would be required to disburse the funds to tax-exempt nonprofit organizations.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Joe Carrasco