

# Fiscal Analysis

## Specialty License Plates for Professional Athletic Teams



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**Bill/Sponsor**                    **HOUSE BILL 5139 AS INTRODUCED**, Rep. Tupac A. Hunter

**House Committee**            Transportation

### **Analysis**

#### **Summary**

House Bill 5139 would amend the Michigan Vehicle Code to require the Secretary of State to develop and issue state-sponsored professional sports team fund-raising registration plates and matching collector plates. The bill would require the plate to be of a design determined by the Secretary of State that includes a logo of one of the following professional Detroit sports teams: Red Wings, Lions, Pistons, Shock, Fury, or Tigers.

The bill would require the service fees from the sale of the plates to be deposited into the Professional Sports Team Fund, created within the Department of Treasury, and to be disbursed to one or more youth sports programs in the state. Fees collected would be required to be segregated by sport and disbursed as follows:

--50% of the money received from the sale of Detroit Red Wings logo registration plates would be distributed to the Michigan Amateur Hockey Association and 50% to the Little Caesars Amateur Hockey League;

--50% of the money received from the sale of Detroit Lions logo registration plates would be distributed to the Detroit Police Athletic League to support the football program and 50% to Southeastern Michigan Pop Warner Football;

--50% of the money received from the sale of Detroit Fury logo registration plates would be distributed to the Detroit Police Athletic League to support the football program and 50% to Southeastern Michigan Pop Warner Football;

--75% of the money received from the sale of Detroit Pistons logo registration plates would be distributed to the Michigan Amateur Athletic Union and 25% to the Detroit Neighborhood Basketball Program to support boys' basketball programs;

--75% of the money received from the sale of Detroit Shock logo registration plates would be distributed to the Michigan Amateur Athletic Union and 25% to the Detroit Neighborhood Basketball Program to support girls' basketball programs; and

--100% of the money received from the sale of Detroit Tigers logo registration plates would be distributed to the Michigan Youth Baseball Association.

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Pursuant to the bill, organizations which receive money would be required to use the money to purchase equipment or uniforms, or to pay the costs of athletic facility improvements, training of athletes, or conducting sports camps.

**Fiscal Impact**

There would be a one-time cost to the state for creating, producing, and issuing the registration plates. According to the Department of State, the start-up cost would be \$15,000 per registration plate.

After initial start-up costs are paid, the sale of registration plates would generate an indeterminate amount of revenue, which would depend on the number of plates sold. Pursuant to the bill, the revenue would be granted to specific organizations in support of youth sports activities.

From October 1, 2002 through March 31, 2003, the Department of State reported 40,467 transactions for the existing special cause license plates, generating \$587,805 for the special causes. For this same time period, the Department reported 39,215 transactions for the university license plates, generating \$517,640 for the universities. Given this information, start-up costs would be offset by revenue generated from sales.

**Analyst(s)**

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COMMITTEE ANALYSIS - 10/29/03

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