



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 77 (as reported without amendment)
Sponsor: Senator Mike Nofs
Committee: Transportation

Date Completed: 5-11-17

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. If a fund-raising plate fails to meet sales goals specified in the Code, the Secretary of State must cease to issue it. 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 charitable license plates recognizing the Thin Blue Line of Michigan be created, with the proceeds going to the Thin Blue Line of Michigan to support the families of injured or deceased public safety officers of agencies within the State.

CONTENT

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

- **Require the Secretary of State (SOS) to develop and issue a Thin Blue Line fund-raising plate and a matching Thin Blue Line collector plate.**
- **Create the "Thin Blue Line Fund" within the State Treasury and require the donation money from the sale of the plates to be deposited into the Fund.**
- **Require the money in the proposed Fund to be disbursed on a quarterly basis to the Thin Blue Line of Michigan.**
- **Require the Thin Blue Line of Michigan to spend the money to assist families of injured or deceased officers of public safety agencies.**

Specifically, the bill would require the SOS, by December 31, 2017, to develop under Section 811e and issue under Section 811f a Thin Blue Line fund-raising plate, and a matching Thin Blue Line collector plate as provided under Section 811g. The SOS, in conjunction with the Thin Blue Line of Michigan, would have to design the plates, having the words "Thin Blue Line" and "Michigan" on them.

(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 \$10 service fee, as described above.

Section 811g allows the SOS to develop, market, promote, and sell a collector plate. The SOS may do so only with funds available from the collection of service fees under the Code.)

The owner of a vehicle required to be registered under the Code could apply, on a form prescribed by the SOS, for a Thin Blue Line fund-raising plate instead of a standard registration plate.

The bill would create the Thin Blue Line 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 have to direct the investment of the Fund, and credit to it any interest and earnings from Fund investments. Money in the Fund at the close of the fiscal year would remain in the Fund and would not lapse to the General Fund. The State Treasurer would be the administrator of the Thin Blue Line Fund for auditing purposes.

The SOS would have to transfer the donation money from the sale of Thin Blue Line fund-raising and collector plates to the State Treasurer, who would have to credit the money to the proposed Fund. The State Treasurer would have to disburse the money in the Fund on a quarterly basis to the Thin Blue Line of Michigan.

The Thin Blue Line of Michigan would have to spend the money received from the State Treasurer solely to assist and support the families of injured or deceased officers of public safety agencies within the State.

The bill would take effect 90 days after its enactment.

Proposed MCL 257.811jj

BACKGROUND

According to its website, the Thin Blue Line of Michigan is a nonprofit organization that provides assistance and support to the families of injured or deceased members of the law enforcement community, firefighters, dispatchers, corrections officers, emergency medical personnel, and administrative clerks. The organization aids both active or honorably retired officers and their families with financial, legal, emotional, physical, and medical assistance upon an officer's injury or death. The organization provides short-term assistance and care to law enforcement officers and their families throughout Michigan, and long-term assistance and care to its active members.

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

According to Committee testimony, the number of public safety personnel in Michigan amounts to more than 100,000. These individuals include law enforcement officers, firefighters, corrections dispatchers, emergency medical service personnel, court officers, administrators, support staff, reserve police and firefighters, and volunteers. Reportedly, every year in Michigan, about 1,600 officers are injured and, on average, four officers are killed in the line of duty. It also has been reported that seven officers already have been killed in 2017, and that eight officers were shot working in Detroit over the past eight months.

The statistics display the occupational dangers public safety officers experience. Because public safety compensation and benefits vary across Michigan agencies, sometimes a compensation or benefit plan is not sufficient and leaves an officer and his or her family struggling financially during a critical time. The Thin Blue Line of Michigan provides important financial assistance and additional supports to officers and their families, sometimes from the moment they are injured. The

organization is supported by member donations, fund-raisers, the sale of products, and charitable contributions. The fund-raising license plate and collector plate would provide additional resources to accomplish its mission.

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would create a start-up cost to the Department of State; however, the start-up fee prescribed in the Code would have to be paid to the Department from the Thin Blue Line Fund proposed in the bill. (The start-up fee recently was changed to the latest three-year average, which has not yet been determined by the Department.) The revenue generated from the Thin Blue Line fund-raising license plate and collector 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 Thin Blue Line of Michigan.

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.