

Legislative Analysis



SICKLE CELL ANEMIA EDUCATION AND TREATMENT FUND-RAISING LICENSE PLATE

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<http://www.house.mi.gov/hfa>

House Bill 4308 as reported from committee
Sponsor: Rep. Amos O’Neal
Committee: Transportation, Mobility and Infrastructure
Complete to 9-27-23

Analysis available at
<http://www.legislature.mi.gov>

(Enacted as Public Act 81 of 2024)

SUMMARY:

House Bill 4308 would amend the Michigan Vehicle Code to require the secretary of state to develop and issue a fund-raising license plate¹ recognizing sickle cell anemia education and treatment. The secretary of state would design the plate in conjunction with the Michigan chapter of the Sickle Cell Disease Association of America, Inc.²

The bill would create the Sickle Cell Anemia Awareness Fund. The state treasurer could receive money or other assets from any source for deposit into the fund and would have to direct the investment of the fund and credit to it the interest and earnings from those investments. Money in the fund at the close of the fiscal year would remain in the fund and not lapse to the general fund. The treasurer would be the administrator of the fund for auditing purposes.

The secretary of state would have to transfer to the state treasurer, for deposit into the Sickle Cell Anemia Awareness Fund, the fund-raising donation money from the sale of the fundraising plates recognizing sickle cell anemia education and treatment. On a quarterly basis, the state treasurer would have to disburse the money in the fund to the Michigan chapter of the Sickle Cell Disease Association of America, Inc.

The bill also would repeal section 811aa of the Michigan Vehicle Code.³

Proposed MCL 257.811hh

BACKGROUND:

Section 811e of the code requires a public act authorizing a fund-raising plate to identify the purpose of the plate, provide for a fund to receive the money raised through sale of the plates, and specify the fund administrator. (House Bill 43080 would meet these criteria.) As described below, the secretary of state may develop a fund-raising plate upon payment of a nonrefundable start-up fee in an amount equal to a three-year average of the cost to the secretary of state of

¹ https://www.house.mi.gov/hfa/PDF/FiscalSnapshot/MDOT_Special_Cause_Fundraising_License_Plates_Jan2023.pdf

² <https://www.sicklecelldisease.org/>

³ Section 811aa was added by 2020 PA 299 and also authorizes creation of a fund-raising plate recognizing sickle cell anemia education and treatment. According to committee testimony, the financial requirements for the development of the plate were not met within the prescribed time, due in large measure to the COVID-19 pandemic. See <https://www.legislature.mi.gov/documents/2019-2020/billanalysis/House/pdf/2019-HLA-5920-201CECBD.pdf>

developing a new fund-raising plate. This fee must be paid within 18 months after the act authorizing the plate takes effect.

A person who wants a fund-raising plate for their vehicle must accompany the application for the plate with payment of the regular vehicle registration tax prescribed under the code, a \$25 fund-raising donation, and a \$10 service fee. An applicant for renewal of a fund-raising plate must pay the vehicle registration tax and a \$10 fund-raising donation.

Section 811e limits to 20 the number of fund-raising plates that can be issued or made available for sale by the secretary of state at any one time. This limit does not include fund-raising plates that recognize a Michigan university or an accomplishment or occasion of a Michigan university. Currently there are 16 fund-raising plates.⁴

FISCAL IMPACT:

The bill may provide the Department of State (DOS) with a marginal increase in funding to the Transportation Administration Collection Fund (TACF). Section 811e of the Michigan Vehicle Code requires the payment of a start-up fee, typically paid by the receiving organization, to the secretary of state to cover the costs of developing and producing a new fund-raising plate and directs the fee revenue to be deposited into the TACF. The start-up fee amount for each year is required to be calculated every January by taking the three-year average cost to DOS of developing a new fund-raising plate. With the full implementation of the department's Customer and Automotive Records (CARS) computer system in 2022, start-up costs were anticipated to decrease. The start-up fee for 2023 is \$90,000. Any fee revenue deposited into the TACF in excess of the cost of development would remain in the TACF, which supports the department's vehicle registration and licensing operations.

POSITIONS:

A representative of Sickle Cell Disease Association of America testified in support of the bill. (9-12-23)

The Department of State indicated a neutral position on the bill. (9-12-23)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

⁴ <https://www.michigan.gov/sos/vehicle/license-plates/special-cause-fundraising-options>