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House Bills 5056 and 5058 (Substitute S-1 as reported)
Sponsor: Representative Reggie Miller (H.B. 5056)
Representative Matt Beirlein (H.B. 5058)
House Committee: Transportation, Mobility, and Infrastructure
Senate Committee: Transportation and Infrastructure

CONTENT

House Bill 5058 (S-1) would amend the Michigan Vehicle Code to require the Secretary of State to develop and issue a fundraising plate recognizing the Michigan 4-H Foundation.

House Bill 5056 (S-1) would amend the Michigan Vehicle Code to create the Michigan 4-H Foundation Fund within the State Treasury and require the State Treasurer to disburse money from the Fund on a quarterly basis to the Michigan 4-H Foundation.

The bills are tie-barred.

Proposed MCL 257.811hh (H.B. 5056)
Proposed MCL 257.811gg (H.B. 5058)

BRIEF RATIONALE

The Code provides for the creation of State-sponsored fund-raising license plates for the benefit of charitable causes. Purchasers of a fund-raising plate pay a donation and service fee above the cost of a standard plate and the donation goes to a designated fund in benefit of a plate's cause. According to testimony, the Michigan 4-H Foundation is a non-profit funding organization based in East Lansing, Michigan that solicits support from private individuals, organizations, foundations, and corporations to support Michigan 4-H Youth Development programs, including animal science, arts, and environmental and outdoor education, among others. It has been suggested that a charitable license plate recognizing the Foundation be created to support the Foundation's charitable causes in the State.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

The cost to create a fund-raising specialty plate currently averages an estimated \$90,000 for design and production of the plate. This start-up cost would first need to be paid by Michigan 4-H before the Department of State (DOS) would begin production and issuance of the 4-H plate.

Upon issuance of a fund-raising plate, the applicant must submit a \$25 fund-raising donation (\$10 donation for a renewal) along with the applicable vehicle registration tax. The fund-raising donations would be deposited into the Michigan 4-H Foundation Fund, after which the State Treasurer would disburse payments from the Fund on a quarterly basis to Michigan 4-H. The vehicle registration tax revenue would be deposited into the Michigan Transportation Fund (MTF) while any other fee revenue, aside from the fund-raising donation, would be deposited into the Transportation Administration Collection Fund. Finally, there could be additional costs to the DOS associated with the development and issuance of the new plate;

however, these costs should be minimal and absorbable within annual appropriations. The MTF likely would not see any increase in revenues as most applicants for the new plate likely are already paying the vehicle registration tax which the bill would not affect.

The bill would have no fiscal impact on the Department of Treasury. Based on the level of estimated revenue likely to be appropriated to the Fund, ongoing costs associated with administration and investment would be less than \$100. Current appropriations would be sufficient to carry out these activities.

The bill would have no fiscal impact on local government.

Date Completed: 6-10-24

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