

Legislative Analysis



SICKLE CELL ANEMIA EDUCATION AND TREATMENT FUND-RAISING LICENSE PLATE

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5920 as referred to second committee

Sponsor: Rep. Ronnie D. Peterson

1st Committee: Transportation

2nd Committee: Ways and Means

Revised 9-29-20

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

SUMMARY:

House Bill 5920 would amend the Michigan Vehicle Code to require the secretary of state (SOS) to develop and issue a fund-raising license plate recognizing sickle cell anemia education and treatment. The SOS would design the plate in conjunction with the Michigan chapter of the Sickle Cell Disease Association of America, Inc.¹

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 SOS 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 fund-raising 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 would take effect 90 days after its date of enactment.

Proposed MCL 257.811aa

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 5920 would meet these criteria.) The SOS 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 SOS of developing a new fund-raising plate.

A person who wants a fund-raising plate for his or her 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.

¹ <https://www.sicklecelldisease.org/>

Section 811e limits to 20 the number of fund-raising plates that can be issued or made available for sale by the SOS 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 18 fund-raising plates.²

FISCAL IMPACT:

The bill may provide the Department of State 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 to the SOS 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. The start-up fee for 2020 was not available from the department for this analysis; however, development costs in prior years have slightly exceeded \$100,000. The department reports that the estimated cost of development in 2020 is \$90,000. The 2020 start-up fee is therefore expected to cover all of the department's costs for developing and producing a new fund raising plate. 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:

Representatives of the following entities testified in support of the bill (9-16-20):

Sickle Cell Disease Association of America–Michigan Chapter
Hurley Medical Center

A representative of the Office of the Secretary of State testified with a neutral position on the bill. (9-16-20)

Legislative Analyst: E. Best
Fiscal Analyst: Michael Cnossen

■ 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.

² https://www.michigan.gov/sos/0,4670,7-127-96435_1595_9026---,00.html