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BILL ANALYSIS



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Senate Bill 59 (as introduced 1-27-09)
Sponsor: Senator Mark C. Jansen
Committee: Transportation

Date Completed: 5-11-09

CONTENT

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

- Increase the current limit on State sponsored fund-raising license plates.**
- Permit the Secretary of State (SOS) to create a fund-raising plate or collector plate recognizing Habitat for Humanity.**
- Create the "Habitat for Humanity Fund" and require donations for those plates to be deposited into the Fund.**

The Code allows the SOS, at one time, to develop up to eight State-sponsored fund-raising registration plates and matching State-sponsored collector plates. The bill would increase that limit to nine different plates.

The bill would permit the SOS to issue a fund-raising plate or collector plate recognizing Habitat for Humanity. The plates would have to be of a design as determined by the SOS and contain the words "Habitat for Humanity" and "Michigan". The SOS would have to transfer to the State Treasurer fund-raising donations for the plates collected under Sections 811f and 811g.

(Those sections provide for the issuance of a fund-raising plate and a collector plate. Under Section 811f, an application for an original fund-raising plate must be accompanied by a \$25 fund-raising donation, payment of the regular vehicle registration tax, and a \$10 service fee. An application for renewal of a fund-raising plate must be accompanied by payment of the required registration tax and a \$10 fund-raising fee. Under Section 811g, a person may purchase one or more collector plates by paying to the SOS a \$10 service fee and a \$25 fund-raising donation.)

The bill would create the Habitat for Humanity Fund within the State Treasury. The State Treasurer would have to disburse the donation money received under the bill to that Fund, and disburse money in the Fund on a monthly basis to the Habitat for Humanity. The State Treasurer could receive money or other assets from any source for deposit into the Fund. The Treasurer would have to direct the investment of the Fund and credit to it interest and earnings from Fund investments. Money in the Fund at the close of the fiscal year would have to remain in the Fund and not lapse into the State General Fund.

The Habitat for Humanity would have to report annually to the Department of Treasury an accounting of money received and used under the bill.

MCL 257.811e et al.

BACKGROUND

Habitat for Humanity is a nonprofit international organization. Its mission is to eliminate homelessness and provide shelter to disadvantaged people in the United States and elsewhere in the world. The organization uses volunteer labor and donated materials to build houses, with the help of the prospective owners. Habitat for Humanity then sells the houses to the owners at cost, and money from the sales is used to build more houses. According to the Habitat for Humanity website, an average house built by the organization in the United States costs about \$60,000. Houses built in developing countries may cost \$800.

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would create a start-up cost to the Department of State. The start-up fee of \$15,000 prescribed in the Code could be paid to the Department from the Habitat for Humanity Fund proposed in the bill; however, the bill does not include such a requirement. The revenue generated from the fund-raising license plate established under the bill would be deposited into the proposed Habitat for Humanity Fund, after which the State Treasurer would disburse payments from the Fund on a monthly basis to the Habitat for Humanity.

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.