



Senate Fiscal Agency  
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Senate Bill 878 (as enacted)  
Sponsor: Senator John Cherry  
Senate Committee: Regulatory Affairs  
House Committee: Tax Policy

**PUBLIC ACT 116 of 2024**

Date Completed: 8-12-24

**RATIONALE**

Some car dealerships participate in charity events by donating or lending motor vehicles. For example, according to testimony before the Senate Committee on Regulatory Affairs, local dealerships in the Grand Blanc area have provided vehicles to the Ally Challenge, a PGA Tour Champions event, since it debuted in 2018.<sup>1</sup> Previously, the Michigan Vehicle Code only allowed vehicle *manufacturers* to lend cars to charity events. As dealerships' inability to donate or lend motor vehicles became more apparent, some suggested that prior practice be codified, and dealerships be allowed to lend vehicles to charity events.

**CONTENT**

The bill amended the Michigan Vehicle Code to allow the Secretary of State (SOS) to issue a temporary civic license plate on application by a licensed new vehicle dealer that donates or loans a vehicle for use in a golf tournament, charity event, or public civic event.

The licensed new motor vehicle dealer must provide in the dealer's application for a temporary civic license plate the name of the event for which the motor vehicle will be used, the date and duration of the event, the number of vehicles to be loaned or donated, the anticipated vehicle identification number or numbers, and any other information required by the SOS. The application must be accompanied by a \$10 fee for each temporary civic event license plate for which the licensed new motor vehicle dealer has applied.

Any motor vehicle bearing a temporary civic event license plate authorized under the bill is restricted to providing services for events for which approval by the SOS is granted. The approved services may include parades, transportation of visitors or dignitaries to and from event activities, use by event personnel or event volunteers, and any other activity for which a vehicle may be required in furtherance of the approved event.

The bill took effect July 23, 2024.

MCL 257.244

**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.)*

<sup>1</sup> The PGA Tour is the organizer of professional golf tours in North America. Prior to the Ally Challenge, the PGA Tour organized the Buick Open in Grand Blanc Township from 1958 to 2009. General Motors (GM) sponsored and lent cars to the event; however, it discontinued its sponsorship in 2009. In 2018, PGA Tour returned to Grand Blanc with the Ally Challenge; however, GM did not resurrect its sponsorship.

### **Supporting Argument**

The bill will increase community engagement and charity work. As noted previously, car dealerships already support their communities by providing vehicles to golf tournaments, charitable events, and civic events. By giving them an official and convenient way to do so, the bill will further encourage dealerships' investment in local communities.

Legislative Analyst: Nathan Leaman

### **FISCAL IMPACT**

The bill requires the submission of a \$10 application fee for each temporary civic license plate requested. The amount of revenue for the Department of State will be minimal and used to cover operational costs.

Fiscal Analyst: Joe Carrasco Jr.

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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.