

# LEGISLATIVE SNAPSHOT

## SPECIAL CAUSE FUNDRAISING LICENSE PLATES

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### Summary

Sections 811e and 811h of the Michigan Vehicle Code allow for the creation and sale of special cause fundraising license plates if certain conditions are met. These license plates are in addition to the fundraising plates that recognize and support Michigan's 15 public universities. A portion of the proceeds from special cause plates (\$25 for a new plate, \$10 for a renewal) goes to support the specified state-sponsored goal. No more than 20 different plates can be available for sale at any one time, and they must meet sales minimums or be discontinued. There are currently 16 special cause fundraising license plates.

### Background

[Section 811e](#) requires a fundraising plate to be authorized by a public act that, at a minimum, identifies the purpose of the plate, creates or designates a nonprofit fund to receive the money raised through its sale, and specifies the administrator of any newly created fund.

Section 811e also requires payment of a nonrefundable start-up fee to cover the cost to the secretary of state of developing and producing a new fundraising plate. If the fee is not paid within 18 months after the public act authorizing the plate takes effect, the secretary of state cannot create, produce, or issue the plate. The fee amount is calculated every January by taking the three-year average of the cost to develop and produce a new plate. It is currently \$90,000. The amount must be reduced to reflect any savings if multiple new plates are being developed at the same time. The start-up fee is deposited into the Transportation Administration Collection Fund (TACF), which supports vehicle registration and licensing activities.

A person who wants a fundraising plate for their vehicle must pay their regular vehicle registration tax, a \$25 fundraising donation toward the state-sponsored cause, and a \$10 service fee. For a renewal, an applicant must pay the vehicle registration tax and a \$10 fundraising donation.

[Section 811h](#) requires the secretary of state to forward fundraising donations to applicable organizations at least once each calendar quarter (every three months). The money must be spent in Michigan. An organization receiving fundraising donations must report annually to the state treasurer on how it spent them.

A fundraising plate must be discontinued if it does not meet the following sales goals:

- 2,000 plates in the first year.
- 500 original plates (not renewals) in each of the next five years.
- 500 original plates in each two-year period after that.

### History

Michigan's first fundraising license plates were created by [1994 PA 332](#) to benefit the Olympic Education-Training Center at Northern Michigan University. In 2000, several bills were enacted that together authorized the secretary of state to design and sell up to 21 additional fundraising license plates, with donations going, as applicable, to one of the state's 15 [public universities](#), the [Children's Trust Fund](#), the [Nongame Fish and Wildlife Trust Fund](#), the [Water Quality Protection Fund](#), the [Michigan Lighthouse Preservation Grant Fund](#), the [Vietnam Veterans Memorial Monument Fund](#), or to Michigan State University for [educational grants](#) related to agriculture and the environment.

The cap on the number of different fundraising plates available at any one time was increased in [2001](#) and again in [2006](#), to allow specific new plates to be created. (The "Proud to Be American" fundraising plate, authorized in October 2001, was the first in Michigan to raise money for a private nonprofit organization instead of a state entity or fund.) Provisions added in 2006 imposed a start-up fee of \$15,000 for any newly authorized fundraising plate and allowed the secretary of state to discontinue plates that failed to meet specified sales goals.

In [2011](#), the cap on the number of plates was eliminated completely, but it was restored again in [2016](#), at the current limit of 20 (in addition to the 15 university plates). The 2016 amendments also provided for the start-up fee to be based on the three-year average of actual costs, required those receiving money from the plates to spend it only in Michigan, and extended the sales requirement provisions.

### **Recent Activity**

Five bills to create new fundraising plates were introduced in the 2021-22 legislative session. An average of 19 were introduced each session from 2001-02 through 2019-20.

There are [currently](#) 16 special cause fundraising plates:

- [Olympic Education Center](#) (enacted 1994, recodified 2006): described above.
- [Agricultural Heritage](#) (enacted 2000): described above.
- [Children Trust Michigan](#) (enacted 2000): described above.
- [Lighthouse Preservation](#) (enacted 2000): described above.
- [Vietnam Veterans Memorial](#) (enacted 2000, recodified 2006): described above.
- [Water Quality](#) (enacted 2000): described above.
- [Wildlife Habitat](#) (enacted 2000): described above.
- [Proud to Be American](#) (enacted [2001](#), recodified [2006](#)): benefits the [Salvation Army](#) and the [American Red Cross](#).
- [Donate Life](#) (enacted [2012](#)): benefits the state's [organ donor registry program](#).
- [Breast Cancer Awareness](#) (enacted [2013](#)): benefits the [Michigan breast and cervical cancer control program](#).
- [Ducks Unlimited](#) (enacted [2013](#)): benefits [Ducks Unlimited](#).
- [Support Michigan Veterans](#) (enacted [2014](#)): benefits the Michigan Veterans Engagement Fund, which supports veterans outreach activities and tuition assistance for military families.
- [Detroit Lions](#) (enacted [2018](#)): benefits the [Detroit Lions Foundation](#).
- [Detroit Pistons](#) (enacted [2018](#)): benefits the [Detroit Pistons Foundation](#).
- [Detroit Red Wings](#) (enacted [2018](#)): benefits the [Detroit Red Wings Foundation](#).
- [Detroit Tigers](#) (enacted [2018](#)): benefits the [Detroit Tigers Foundation](#).