Transportation Committee

HB 2361

Brief Description: Authorizing department of licensing publications to include advertising.

Sponsors: Representatives Fisher, Hatfield, Hankins, Lovick, Edwards and Kenney; by request of Department of Licensing.

Brief Summary of Bill

- · Authorizes the Department of Licensing (DOL) to sell advertising and to distribute third party publications or materials as long as the advertisement and/or materials are related to and consistent with the department's mission to promote public safety.
- Proceeds from advertising and distribution shall be deposited into the newly created
 "Department of Licensing Advertising Account."

Hearing Date: 1/30/02

Staff: Reema Griffith (786-7301).

Background:

Under current law all of the costs associated with the production of DOL materials and publications are paid for out of the Motor Vehicle Account, and is appropriated in the transportation budget. The biggest costs are associated with the production of the Washington Driver Guide and the distribution of vehicle renewal notices. In 2000 the department produced 475,000 copies of the Driver Guide at a cost of \$88,000, and mailed out over five million postcard vehicle renewal notices at a cost of \$1.6 million.

Twelve other state licensing agencies are in the process of, or have launched an advertising program in an effort to offset mainly those costs associated with producing their Driver Guides. Within Washington two other agencies are currently utilizing advertising opportunities in their documents to offset or pay for their production. Specifically, the department of Fish and Wildlife sells advertising in its fishing pamphlets, which pays for approximately 30 percent of the production costs. The department of Community, Trade and Economic Development sells advertising in its Washington State Travel Planner booklets, which entirely pays for the cost of producing them.

Summary of Bill:

HB 2361 authorizes the DOL to sell advertising or enter into agreements for the distribution of third-party publications which are related to and consistent with the department's mission of promoting public safety.

The DOL retains the right to approve advertising content to ensure that the products or services are in harmony with the subject matter of the publication. The director must deny any advertising which may be interpreted as contrary to the agency's mission or may be offensive or misleading.

Any DOL public information materials that include advertising of any kind must provide a statement that inclusion of the materials does not constitute an endorsement by the state or the department of the products or services advertised.

Proceeds from advertising must be deposited into the newly created "Department of Licensing Advertising Account." The department may spend money from the account only for purposes of offsetting production, distribution or postage costs of DOL publications, materials or mailings. An appropriation from this account is not required for expenditures to be made.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.