

# HOUSE BILL REPORT

## HB 2065

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### As Passed Legislature

**Title:** An act relating to license plate technology.

**Brief Description:** Facilitating license plate technology advances.

**Sponsors:** By Representatives Simpson and Edwards.

**Brief History:**

**Committee Activity:**

Transportation: 2/28/03, 3/10/03 [DP].

**Floor Activity:**

Passed House: 3/18/03, 52-45.

Senate Amended.

Passed Senate: 4/17/03, 41-7.

House Concurred.

Passed House: 4/27/03, 58-40.

Passed Legislature.

### Brief Summary of Bill

- The Department of Licensing must implement a digital license plate system by July 1, 2007 and all license plates must be obtained from the Department of Corrections.
- Authorizes the use of a non-standard background on license plates.
- If vehicle owners wish to keep their current license plate number, they must pay a retention fee of \$20.
- Twenty-five cents is added to current vehicle registration charges, the revenue of which is to be deposited into the newly created License Plate Technology Account for use in funding license plate technologies.
- The Department of Licensing is required to offer license plate design services to organizations sponsoring a new special license plate series. The cost to acquire these services would be \$1,500.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 19 members: Representatives Murray, Chair; Rockefeller, Vice Chair; Simpson, Vice Chair; Ericksen, Ranking Minority Member; Jarrett, Assistant Ranking Minority Member; Campbell, Clibborn, Cooper, Dickerson, Flannigan, Hankins, Hatfield, Hudgins, Lovick, Morris, Romero, Sullivan, Wallace and Wood.

**Minority Report:** Do not pass. Signed by 9 members: Representatives Anderson, Armstrong, Bailey, Kristiansen, Mielke, Nixon, Schindler, Shabro and Woods.

**Staff:** Reema Griffith (786-7301).

**Background:**

The current license plate production system used by the Department of Licensing (DOL) has been in place since the 1920s and involves a labor intensive process of manually stamping each plate set, with the labor being provided by the inmates at the Walla Walla State Penitentiary.

On a national level, big strides have been made on the technology end of license plate manufacturing and several states are taking advantage of this. Computer driven manufacturing processes have been developed which allow all license plate information to be inputted and managed via a computer, and printed out almost instantaneously using digital technology. While this technology is attractive and would increase flexibility in manufacturing, the cost of implementing this type of technology in Washington is yet to be known and absent a revenue source, would likely be a costly endeavor to implement under current funding scenarios.

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**Summary of Bill:**

The Department of Licensing is required to implement a digital license plate system. The system must be in place and operational by July 1, 2004 and must be used to produce all license plates issued by the department by no later than January 1, 2007. All license plates must be obtained from the Department of Corrections.

Authorizes the use of a non-standard background on vehicle license plates allowing for variations in color and design, provided that the plate is legible and clearly identifiable as a Washington plate.

In providing for the replacement of license plates every seven years, the DOL is required to offer to vehicle owners the option of retaining their current license plate number. If an owner chooses to do so, the DOL must charge a retention fee of \$20, the revenue of which is to be deposited into the newly created License Plate Technology Account until the financing necessary to implement a digital system has been paid in full, at which time

the revenue will be deposited into the Multimodal Transportation Account.

The License Plate Technology Account is created and expenditures from the account must support current and future license plate technology and systems integration upgrades for both the Department of Licensing and the Department of Corrections. Monies in the account may be spent only after appropriation and may be used to reimburse the Motor Vehicle Account for any appropriation made to implement the digital license plate system.

An additional 25 cents is added to the current \$3.50 filing fee paid by all vehicle owners at the time of registration. Proceeds from this fee are to be deposited into the License Plate Technology Account.

The DOL must offer license plate design services to organizations that are sponsoring a new special license plate series or are seeking to redesign the appearance of an existing special license plate. The DOL must charge \$1,500 for this service, which would include one original license plate design and up to five additional renditions of the original design. If an organization wants more than five renditions, the DOL must charge \$500 per additional rendition. The revenue generated by this service must be deposited into the License Plate Technology Account until the financing necessary to implement a digital system has been paid in full, at which time the revenue will be deposited into the Multimodal Transportation Account.

If this act is not referenced by bill or chapter number in the Transportation Appropriations Act by June 30, 2003, this act is null and void.

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**Appropriation:** None.

**Fiscal Note:** Available (preliminary).

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed, except sections 2 and 3 which take effect for renewals that are due or become due on or after November 1, 2003.

**Testimony For:** This bill will give the state the flexibility needed to implement full color special plates while also establishing a revenue source to fund future license plate technology needs.

**Testimony Against:** None.

**Testified:** Representative Simpson, prime sponsor.