

SENATE BILL REPORT

HB 2065

As Reported By Senate Committee On:
Highways & Transportation, April 10, 2003

Title: An act relating to license plate technology.

Brief Description: Facilitating license plate technology advances.

Sponsors: Representatives Simpson and Edwards.

Brief History:

Committee Activity: Highways & Transportation: 3/27/03, 4/10/03 [DPA].

SENATE COMMITTEE ON HIGHWAYS & TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Horn, Chair; Benton, Vice Chair; Swecker, Vice Chair; Esser, Haugen, Kastama, Oke and Prentice.

Staff: Kimberly Johnson (786-7346)

Background: The Department of Licensing (DOL) currently purchases all license plates from Correctional Industries (CI). The plates are produced by the inmates at the Walla Walla State Penitentiary. The current license plate production system used by CI is a manual embossing system designed in the early 1900s.

There are a number of different printing techniques available for license plate production. One recently developed technique involves a digital thermal printing process that prints the license plate background on sheeting that is then adhered to aluminum to form a license plate.

Under current law, generally vehicle owners that are required to replace their license plates under the periodic replacement statute do not have the option of retaining their current license plate number.

Summary of Amended Bill: DOL must implement a flat, digitally printed license plate system by July 1, 2004, and must produce all license plates issued by the system by January 1, 2007. DOL must phase in the production of these plates by first issuing flat, digitally printed specialty and personalized license plates. If DOL determines that the production of all license plates by the digital printing system is economically viable, DOL may move to the digital production of all license plates issued by the department prior to January 1, 2007.

A fee of 25 cents must be collected on all vehicle and vessel licensing, registration, and titling transactions. The additional 25 cent fee must be deposited into the license plate technology account. Expenditures from the license plate technology account must be used to support current and future license plate technology and system upgrades.

DOL must offer vehicle owners, replacing their plate under the replacement requirements, the option of retaining their current license plate number. A retention fee of \$20 must be collected for providing this service.

DOL must offer license plate design services to organizations sponsoring a new special license plate series, or who are seeking to redesign the appearance of an existing special license plate series that they sponsored. DOL must collect a fee of \$1,500 for providing design services.

The revenue collected for the plate number retention and digital design service must first be deposited into the license plate technology account until any capital investment necessary to implement the digital system has been paid in full. Once any capital investment has been paid in full, the revenue must be deposited into the multimodal transportation account.

Amended Bill Compared to Original Bill: The Department of Licensing (DOL) is required to phase in the production of flat, digitally printed license plates beginning July 1, 2004. All license plates issued by the department must be flat and digitally printed by January 1, 2007.

The initial revenue generated from the \$20 plate number retention fee, and the \$1,500 digital design service fee must be deposited into the license plate technology account until any financing necessary to implement the system has been paid in full, and then the revenue will be deposited into the multimodal transportation account. The collection of the \$20 plate number retention fee and the \$1,500 digital design fee begins November 1, 2003. A null and void clause is provided.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Testimony For: There has been a lot of discussion about implementing certain technologies for printing license plates and it is probably not a good idea to require DOL and DOC to implement a specific type of technology. Further, counterfeiting of flat plates is a serious concern and the implementation of a flat, digitally printed plate warrants further consideration.

Testimony Against: None.

Testified: Representative Geoff Simpson (pro).