# Washington State House of Representatives Office of Program Research

# BILL ANALYSIS

## **Transportation Committee**

## **SSB 5152**

Brief Description: Creating Seattle Sounders FC and Seattle Seahawks special license plates.

**Sponsors**: Senate Committee on Transportation (originally sponsored by Senators Eide, King, Hobbs, Fain, Hatfield, Delvin, Murray, Frockt, Conway, Kohl-Welles and Shin; by request of Lieutenant Governor).

#### **Brief Summary of Substitute Bill**

- Creates the Seattle Sounders FC special license plate.
- Creates the Seattle Seahawks special license plate.
- Allows professional sports franchises located within Washington to sponsor a special license plate if the funds are used in conjunction with a nonprofit organization.

**Hearing Date**: 3/14/13

Staff: Paul Ingiosi (786-7114).

### Background:

The Department of Licensing (DOL) issues special vehicle license plates that may be used in lieu of standard plates. A governmental or nonprofit sponsoring organization seeking to sponsor a special plate either submits an application to the DOL or requests legislation to create the special plate. The sponsoring organization seeking to sponsor the special plate is required to reimburse the DOL for the costs of establishing the new special plate. There is a moratorium on the issuance of new special plates by the DOL through June 30, 2013.

For special license plates that are enacted by the Legislature, a sponsoring organization must, within 30 days of enactment, submit prepayment of all start-up costs to the DOL. If the sponsoring organization is not able to meet the prepayment requirement, revenues generated from the sale of the special license plate are first used to pay off any costs associated with establishing the new plate. The sponsoring organization must also provide a proposed license plate design to the DOL. Additionally, the sponsoring organization must submit an annual

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financial report to the DOL detailing actual revenues generated from the sale of the special license plate. The reports are reviewed, approved, and presented to the Joint Transportation Committee.

The DOL collects special license plate fees and, for administrative expenses, deducts an amount not to exceed \$12 for new plate issuance and \$2 for renewal. After these expenses are paid, the State Treasurer deposits proceeds into the Motor Vehicle Account until the DOL determines the start-up costs for a special license plate are paid.

## **Summary of Bill**:

The bill creates Seattle Sounders FC and Seattle Seahawks special license plates which would display Seattle Sounders FC and Seattle Seahawks logos, respectively. In addition to all fees and taxes required to be paid upon application for a vehicle registration, a fee of \$40 would be charged for a Seattle Sounders FC or Seattle Seahawks special license plate and a \$30 fee is charged for renewal of a special license plate.

A professional sports franchise located within Washington may also sponsor a special license plate if the funds are used in conjunction with a nonprofit organization.

After the costs associated with establishing the special license plates are recovered proceeds from the sale of the Seattle Sounders FC and Seattle Seahawks special license plates are distributed as follows:

- Seattle Sounders FC Special Plate. Up to 30 percent, not to exceed \$40,000 annually, adjusted for inflation by the Office of Financial Management, goes to the Association of Washington Generals to develop educational, veterans, international relations, and civic projects, and to recognize the outstanding public service of individuals or groups. Seventy percent and any of the remaining proceeds after distributions are made to the Association of Washington Generals are for the nonprofit organization, Washington State Mentors, to increase the number of mentors in the state by offering mentoring grants throughout Washington that foster positive youth development and academic success. Up to 20 percent of this amount may be used for program administration costs.
- <u>Seattle Seahawks Special Plate</u>. Proceeds are to be used by the nonprofit organization, InvestED, to encourage secondary students who have economic needs to stay in school, return to school, or get involved within their learning community.

The bill exempts the Seattle Sounders FC and Seattle Seahawks special license plates from the moratorium on new special license plates.

**Appropriation**: None.

Fiscal Note: Available.

**Effective Date**: The bill takes effect on January 1, 2014.