

HOUSE BILL REPORT

SSB 5152

As Passed House:
April 18, 2013

Title: An act relating to Seattle Sounders FC and Seattle Seahawks special license plates.

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 History:

Committee Activity:

Transportation: 3/14/13, 3/21/13 [DPA].

Floor Activity:

Passed House: 4/18/13, 76-18.

Brief Summary of Substitute Bill

- Creates the Seattle Sounders Football Club 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.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 21 members: Representatives Clibborn, Chair; Fey, Vice Chair; Lias, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Angel, Bergquist, Fitzgibbon, Hayes, Johnson, Klippert, Kochmar, Morris, O'Ban, Riccelli, Ryu, Sells, Takko, Tarleton, Upthegrove and Zeiger.

Minority Report: Do not pass. Signed by 5 members: Representatives Overstreet, Assistant Ranking Minority Member; Farrell, Habib, Kristiansen and Shea.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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 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 Amended Bill:

The bill creates Seattle Sounders Football Club (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.

- Seattle Seahawks Special Plate. 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 of Amended Bill: The bill takes effect on January 1, 2014.

Staff Summary of Public Testimony:

(In support) The bill is very beneficial to kids in Washington. InvestED is an organization that helps kids get things for school they otherwise could not afford, and the Washington State Mentors, an umbrella organization of around 200 mentoring organizations in the State of Washington, will use the money for matching grants to increase the number of mentors for kids. The plates not only help nonprofits and children, but also promote two great sports teams in Washington. For many years, fans have asked, "Why can I not get a Seahawks or Sounders license plate?" The plates help with the never-ending quest for our fans to be more engaged and get our brand out there. More importantly it helps fund and generate revenue for nonprofits. There are hundreds of thousands of kids and adult soccer players in the area; Washington is one of the most popular areas for soccer in the country. There is a lot of revenue potential for the license plates, a lot of people will want to buy one. Please support a bill that would help a lot of kids.

(Opposed) None.

Persons Testifying: Brad Owen, Office of Lieutenant Governor; Lance Lopes, Seattle Seahawks and Seattle Sounders Football Club; and Clare Meeker.

Persons Signed In To Testify But Not Testifying: None.