

HOUSE BILL REPORT

HB 2017

As Reported by House Committee On: Transportation

Title: An act relating to Washington farmers and ranchers special license plates.

Brief Description: Creating Washington farmers and ranchers special license plates.

Sponsors: Representatives Klippert, Cody, Blake, Dent, Hayes, Fagan and Kretz.

Brief History:

Committee Activity:

Transportation: 2/25/15, 2/26/15 [DPS].

<p>Brief Summary of Substitute Bill</p> <ul style="list-style-type: none">• Creates the Washington Farmers and Ranchers special license plate.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Bergquist, Gregerson, Harmsworth, Hayes, Kochmar, McBride, Moeller, Morris, Ortiz-Self, Pike, Riccelli, Rodne, Sells, Shea, Takko, Tarleton, Wilson, Young and Zeiger.

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 until July 1, 2015.

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.

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 the proceeds into the Motor Vehicle Account until the DOL determines the start-up costs for a special license plate are paid.

Summary of Substitute Bill:

The bill creates the Washington Farmers and Ranchers special license plate, which recognizes Washington farmers and ranchers. 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 Washington Farmers and Ranchers special license plate and a \$30 fee is charged for renewal of the plate.

After the costs associated with establishing the special license plates are recovered, funds would go to the Washington FFA Foundation for educational programs in the state.

The bill exempts the Washington Farmers and Ranchers special license plate from the moratorium on new special license plates.

Substitute Bill Compared to Original Bill:

The substitute bill corrects a drafting error in which a subsection of the underlying statute was inadvertently omitted.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect on January 1, 2017.

Staff Summary of Public Testimony:

(In support) The special license plate is a great way to raise money for education without raising taxes. Agriculture is one of the state's most important industries. The Washington

Farmers and Ranchers special license plate will bring attention to the agriculturists who keep us all fed, and raise awareness for the more than 300 commodities that Washington has to offer. All of the Washington FFA Association (FFA) members embody the motto of the FFA, "Learning to do, doing to learn, earning to live, and living to serve." Support these young adults by supporting this bill.

(Opposed) None.

Persons Testifying: Representative Klippert, prime sponsor; Haley Goodwin, Morgan Rockey, Aidan Troy, and Cesar Covero, Elma Washington FFA Association; and Scott Dilley, Washington Farm Bureau.

Persons Signed In To Testify But Not Testifying: None.