

SENATE BILL REPORT

HB 1400

As Passed Senate, March 31, 2017

Title: An act relating to creating Washington state aviation special license plates.

Brief Description: Creating Washington state aviation special license plates.

Sponsors: Representatives Dent, Gregerson, Hargrove, McBride, Klippert, Tarleton, Dye, Blake, Peterson, Sells, Griffey, Holy, Harris, McCabe, Buys, Koster, Haler, Wilcox, Graves, Jenkin, Van Werven, Stokesbary, Pike, Condotta, Rodne, MacEwen, Irwin, Steele, Nealey, Volz, McDonald, McCaslin, Chandler, Stambaugh, Barkis, Kraft, Manweller, Muri, J. Walsh, Pettigrew, Bergquist and Kagi.

Brief History: Passed House: 2/28/17, 94-4.

Committee Activity: Transportation: 3/14/17, 3/22/17 [DP].

Floor Activity:

Passed Senate: 3/31/17, 46-0.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Creates the Washington Aviation special license plate.
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SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators King, Chair; Sheldon, Vice Chair; Hobbs, Ranking Minority Member; Lias, Assistant Ranking Minority Member; Cleveland, Ericksen, Fortunato, Hawkins, O'Ban, Saldaña, Takko, Van De Wege, Walsh and Wilson.

Staff: Kellee Keegan (786-7429)

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 must submit documentation to the DOL that verifies the organization is either a 501c3 nonprofit as defined in federal law, or is located in Washington State and has registered as a charitable organization with the Secretary of State's Office. The organization may be permitted to sponsor a plate if it is a professional sports franchise and is

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using the profits in conjunction with a 501c3 nonprofit organization. A governmental body may also qualify for a special license plate.

An organization that meets statutory requirements regarding special plate sponsorship must then supply the DOL with the following:

- prepayment of startup costs;
- the design of the special license plate;
- a marketing strategy and financial analysis regarding anticipated revenue and expenditures;
- proposed legislation and a signature of the legislative sponsor;
- proof of the organization's qualifications to sponsor a special plate; and
- signature sheets containing at least 3500 signatures of individuals who intend to purchase the special plate.

Three years must pass before an application is reviewed again after approval by the DOL.

Within 30 days of legislative enactment, the DOL shall enter a written agreement with the sponsoring organization. The revenues generated by the special plate must be for the benefit of the public and be spent within the state. The sponsoring organization is required to reimburse the DOL for the costs of establishing the new special plate. Startup costs for 2017 are \$6,300 unless six or more plates are approved by the Legislature, at which time each legislatively-approved organization would need to provide an additional \$32,000. If the state is not reimbursed within two years, the special plate is put on probationary status for one year. If the startup costs have not been paid within the probation year, the special plate will be discontinued. Disbursement of the revenue generated from the sale of the special license plate to the sponsoring organization is contingent upon the organization meeting DOL's reporting and review requirements. 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 fund until the DOL determines the start-up costs for a special license plate are paid.

If the sponsoring organization ceases to exist, the revenues generated must be deposited into the Motor Vehicle fund.

Summary of Bill: The Washington Aviation special license plate is created with the purpose of honoring and supporting the aviation community in the state. In addition to all fees and taxes required to be paid upon application for a vehicle registration, a fee of \$40 will be charged for a Washington Aviation 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, proceeds from the sale of the special license plates will be provided to the Washington State Department of Transportation to support infrastructure improvements at public use airports in Washington.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The state of Washington is huge in aerospace with all the small businesses that go to support that industry. This plate honors the industry and aviation in the state of Washington. It took ten days to get over 3500 signatures of support for this special plate. The proceeds go to help airport infrastructure in the state of Washington. The revenue will help smaller airports with infrastructure projects that would not otherwise be funded. There was an assumption that the signatures for this bill would not be enough for establishing this special license plate, but now there are currently 4333 signatures.

Persons Testifying: PRO: Representative Tom Dent, Prime Sponsor; Tristan Atkins, Washington State Department of Transportation Aviation Division; John Dobson, Washington State Aviation Alliance; Susie Tracy, WA Airport Management Assn.

Persons Signed In To Testify But Not Testifying: No one.