

SENATE BILL REPORT

SB 5345

As Reported by Senate Committee On:
Transportation, February 21, 2017

Title: An act relating to creating Imagine special license plates.

Brief Description: Creating Imagine special license plates.

Sponsors: Senators Walsh, Kuderer, Sheldon, Takko, Miloscia, Zeiger, Honeyford, Nelson and Palumbo.

Brief History:

Committee Activity: Transportation: 2/13/17, 2/21/17 [DPS, DNP].

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

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5345 be substituted therefor, and the substitute bill do pass.

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

Minority Report: Do not pass.

Signed by Senator Ericksen.

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 bill as referred to committee not considered.

Summary of Bill (First Substitute): The Imagine special license plate, displaying the John Lennon self-portrait and the slogan "Imagine," is created with the purpose of providing funds to Feeding Washington, a charitable food distribution organization. A fee of \$40 would be charged for an Imagine 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 go to Feeding Washington for programs to help end hunger in Washington.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill takes effect on October 1, 2017.

Staff Summary of Public Testimony on First Substitute: PRO: We as people waste a lot of food in this country and this helps distribute the food that may be lost to those who need it most. There is a need to support food banks. Feeding Washington supports Food Lifeline and Second Harvest. One in seven adults and one in five children struggle with food insecurity. Feeding Washington works with the agricultural community to bring fresh produce to member food banks across the state. Securing those truckloads of fresh produce and transporting them is expensive. This special plate has met all of the Department of Licensing requirements. This plate would appeal to a broad demographic. Hunger issues and hunger relief isn't fun, but the image on this special plate may bring a broad base of appeal.

Persons Testifying: PRO: Senator Maureen Walsh, Prime Sponsor; Rod Wieber, Feeding Washington; Michael Towner, Feeding Washington.

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