

HOUSE BILL REPORT

ESHB 2050

As Reported by House Committee On:
Transportation

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

Brief Description: Creating Washington wine special license plates.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Chambers, Cody, Corry, Goehner, Springer, Schmick, Jenkin and Fey).

Brief History:

Committee Activity:

Transportation: 2/28/19 [DPS], 1/15/20 [DP2S].

Brief Summary of Second Substitute Bill

- Creates the Washington Wine special license plate.
- Establishes original and renewal fees for the special license plate.
- Provides funds to the Washington Wine Commission to support research and collaboration with the wine science facility at Washington State University's Tri-Cities campus.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 31 members: Representatives Fey, Chair; Wylie, 1st Vice Chair; Slatter, 2nd Vice Chair; Valdez, 2nd Vice Chair; Barkis, Ranking Minority Member; Walsh, Assistant Ranking Minority Member; Young, Assistant Ranking Minority Member; Boehnke, Chambers, Chapman, Dent, Doglio, Duerr, Dufault, Entenman, Eslick, Goehner, Gregerson, Irwin, Kloba, Lovick, McCaslin, Mead, Orcutt, Ortiz-Self, Paul, Ramos, Riccelli, Shewmake, Van Werven and Volz.

Staff: Christine Thomas (786-7142).

Background:

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.

The Department of Licensing (DOL) issues special vehicle license plates that may be used in lieu of standard plates. An organization seeking to sponsor a special license plate must be a nonprofit organization, a professional sports franchise working in conjunction with a nonprofit organization, or a government agency. The sponsoring organization may choose one of two ways of creating a special license plate.

Application Process and Legislation. In this method, a sponsoring organization submits an application to the DOL prior to pursuing legislation. The application packet must include the design of the special license plate, proof of 3,500 signatures in support of the special license plate, and the start-up fee of \$6,300. After the DOL approves the application, the sponsoring organization must pursue legislation to create the special license plate.

Legislation Without the Department of Licensing's Review. In this method, a sponsoring organization pursues legislation without applying to the DOL first. Once the bill is enacted, the sponsoring organization must provide the design of the special license plate and the start-up fee of \$6,300 to the DOL within 30 days.

In both methods, if the sponsoring organization can prove that they are unable to provide the start-up fee up front, then revenues from the sale of the special license plate will be used to pay this fee. On an annual basis, the sponsoring organization must submit a financial report to the DOL detailing actual revenues from the sale of the special license plate. The DOL compiles these reports and presents them to the transportation committees of the Legislature.

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 that the start-up fee for a special license plate is paid. Once the start-up fee is paid, the State Treasurer credits the remaining special license plate fee amounts into an account specified for the sponsoring organization.

Washington Wine Commission. The Washington Wine Commission's mission is to raise awareness and demand for Washington wine through marketing and education, while supporting the study of grapes and wine to drive industry growth. They do this on behalf of Washington and its wineries and growers.

Washington State University, Wine Science Center. The Wine Science Center (Center) is a teaching, research, and extension facility for the viticulture and enology programs at the Washington State University's Tri-Cities campus. The Center is home to faculty and researchers who are educating students who will work in the wine industry and providing research that improves the grape-growing and winemaking process.

Summary of Second Substitute Bill:

The Washington Wine special license plate is created with the purpose of providing funds to the Washington Wine Commission to support research and collaboration with the Wine Science Center at Washington State University's Tri-Cities campus. In addition to all fees

and taxes required to be paid upon application for a vehicle registration, a fee of \$40 is charged for the original issuance of a Washington Wine special license plate, and a \$30 fee is charged for the renewal of the plate.

Second Substitute Bill Compared to Engrossed Substitute Bill:

The underlying bill is updated with technical corrections to reflect enacted legislation in the 2019 Legislative Session. The effective date is changed from October 1, 2019, to October 1, 2020.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Second Substitute Bill: The bill takes effect on October 1, 2020.

Staff Summary of Public Testimony:

See House Bill Report in 2019 Legislative Session.

Persons Testifying: See House Bill Report in 2019 Legislative Session.

Persons Signed In To Testify But Not Testifying: See House Bill Report in 2019 Legislative Session.