

HOUSE BILL REPORT

ESB 6032

As Reported by House Committee On:
Transportation

Title: An act relating to creating a Washington apples special license plate.

Brief Description: Creating a Washington apples special license plate.

Sponsors: Senators Hawkins, Hobbs, King, Takko, Kuderer, Fortunato, Becker, Short, Sheldon, Warnick, Saldaña, Mullet, Zeiger, Wilson, C., Holy, Hunt, Wilson, L., Wellman, Padden, Hasegawa, Brown, Carlyle, Conway, Das, Dhingra, Ericksen, Lovelett, Muzzall, Nguyen, Pedersen, Rivers, Rolfes and Salomon.

Brief History:

Committee Activity:

Transportation: 2/24/20, 2/26/20 [DP].

Brief Summary of Engrossed Bill

- Creates the Washington apple special license plate.
- Establishes original and renewal fees for the special license plate.
- Provides funds to the Washington Apple Education Foundation for scholarships and other educational support for members and families of the tree fruit industry.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: 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 Apple Education Foundation.

The Washington Apple Education Foundation (WAEF) is the charity of the tree fruit industry. The WAEF was founded in 1994 by members of Washington's tree fruit industry to support college-bound young people, provide training in regional high schools, provide scholastic assistance to farmworker families, and connect the value of tree fruit industry members with works in the community. The WAEF is best known for its scholarship program for kids raised in tree fruit industry communities. Children of growers, farmworkers, warehouse employees, and others connected to the state's apple, cherry, and pear crops qualify for these scholarships.

Summary of Bill:

The Washington Apples special license plate is created to recognize the state's apple industry. 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 Apples special

license plate, and a \$30 fee is charged for the renewal of the plate. Proceeds from sales of the plate will provide funds to the WAEF for scholarships and other educational support for members and families of the tree fruit industry.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 2020.

Staff Summary of Public Testimony:

(In support) It is important to recognize the apple as Washington's number one crop and it is a very important year for the tree fruit and apple industry with the introduction of the Cosmic Crisp apple. The WAEF is the charity organization for the tree fruit industry and will celebrate its twenty-fifth anniversary this year, so this is an appropriate time to introduce the special license plate. The WAEF has provided more than \$9 million in college scholarships over its lifetime. The WAEF provides more than college scholarships. It also provides assistance in classrooms, workshops for college applicants, job-shadowing opportunities, resume review, and care packages to college students. More than 200 volunteers, many of whom are former scholarship recipients, provide these services as returning members to their communities. The special license plate revenue along with contributions donated annually by tree fruit growers, service providers, and community members will provide scholarships and learning opportunities for future students with ties to the tree fruit industry.

(Opposed) None.

Persons Testifying: Senator Hawkins, prime sponsor; Todd Fryhover, Washington Apple Commission; Jennifer Witherbee, Washington Apple Education Foundation; and Daicy Leyva Sanchez.

Persons Signed In To Testify But Not Testifying: None.