

SENATE BILL REPORT

E2SHB 2050

As Reported by Senate Committee On:
Transportation, March 2, 2020

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: Passed House: 2/19/20, 92-6.

Committee Activity: Transportation: 2/25/20, 3/02/20 [DPA, w/oRec].

Brief Summary of Amended Bill

- Creates the Washington Wine special license plate.
- Requires the submission of 3500 signatures of people indicating a willingness to purchase the Washington Wine special license plate before it can be issued.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Hobbs, Chair; King, Ranking Member; Sheldon, Assistant Ranking Member; Cleveland, Fortunato, Lovelett, Nguyen, O'Ban, Padden, Randall, Takko, Wilson, C. and Zeiger.

Minority Report: That it be referred without recommendation.

Signed by Senator Saldaña, Vice Chair.

Staff: Bryon Moore (786-7726)

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 DOL or requests legislation to create the special plate.

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.

Under the DOL application method, the application packet must include the design of the special license plate, proof of 3500 signatures in support of the special license plate, and a start-up fee of \$6,300. For special license plates enacted by the Legislature, a sponsoring organization must submit prepayment of all start-up costs to DOL within 30 days of enactment.

The sponsoring organization seeking to sponsor the special plate is required to reimburse DOL for the costs of establishing the new special plate. 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 DOL. The sponsoring organization must submit an annual financial report to 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.

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 DOL determines the start-up costs for a special license plate are paid. After that point, all remaining proceeds go to the sponsoring organization.

Summary of Bill: The bill as referred to committee not considered.

Summary of Amended Bill: The Washington Wine special license plate is created. 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. Revenue from the sale of the plates will provide funds to the Washington Tourism Alliance to promote tourism throughout Washington.

Before DOL can issue the Washington Wine special license plate, the sponsoring organization must submit the signatures of 3500 people indicating a willingness to purchase the plate.

Appropriation: None.

Fiscal Note: Available.

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

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

Staff Summary of Public Testimony on Amended Bill: PRO: The special license plate will be based on the landscape where wine is produced in Washington rather than trying to promote wine consumption. The beneficiary of the plate is the Tourism Alliance which provides a two to one match. This builds off the success of special wine plate in Oregon. It has been really popular in Oregon and the Washington plate will likely be just as successful. The Washington wine industry supports 41,000 jobs. This bill will provide

funding to support the wine industry and expand the economic benefits of wine tourism. We will market this plate in a way that is responsible.

CON: We are reluctantly against this bill because it promotes alcohol consumption connected to vehicle use. There are other alternatives to the actual plate design that should be explored.

Persons Testifying: PRO: Representative Kelly Chambers, Prime Sponsor; Josh McDonald, Washington Wine Institute.

CON: Seth Dawson, Washington Association for Substance Abuse and Violence Prevention.

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