Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Transportation Committee

HB 1996

Brief Description: Creating a San Juan Islands stewardship special license plate.

Sponsors: Representatives Lekanoff and Shewmake.

Brief Summary of Bill

• Creates the San Juan Islands Stewardship special license plate.

Hearing Date: 2/28/19

Staff: Patricia Hasan (786-7292).

Background:

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.

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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 are 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.

Summary of Bill:

The San Juan Islands Stewardship special license plate is created with the purpose of providing funds to the Madrona Institute for stewardship education programs and to provide grants for San Juan Islands conservation-based organizations to assist in funding stewardship projects. 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 San Juan Islands Stewardship special license plate, and a \$30 fee is charged for the renewal of the plate.

Appropriation: None.

Fiscal Note: Requested on February 18, 2019.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.