

SENATE BILL REPORT

SB 5643

As Reported By Senate Committee On:
Highways & Transportation, March 6, 2003

Title: An act relating to digitally printed license plates.

Brief Description: Implementing digitally printed license plates.

Sponsors: Senators Esser, Haugen, Horn, Brandland, Prentice, Swecker and Reardon.

Brief History:

Committee Activity: Highways & Transportation: 2/25/03, 3/6/03 [DPS, DNP].

SENATE COMMITTEE ON HIGHWAYS & TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5643 be substituted therefor, and the substitute bill do pass.

Signed by Senators Horn, Chair; Benton, Vice Chair; Swecker, Vice Chair; Esser, Finkbeiner, Mulliken and Prentice.

Minority Report: Do not pass.

Signed by Senators Haugen, Jacobsen and Spanel.

Staff: Kimberly Johnson (786-7346)

Background: The Department of Licensing (DOL) currently purchases all license plates from Correctional Industries (CI). The plates are produced by the inmates at the Walla Walla State Penitentiary. The current license plate production system used by CI is a manual embossing system designed in the early 1900's.

There are a number of different printing techniques available for license plate production. One recently developed technique involves a digital thermal printing process that prints the license plate background on sheeting that is then adhered to aluminum to form a license plate.

In conjunction with the digital print process, some states have implemented flat license plates that do not utilize embossing, because the digital print process has the capability of printing the alphanumeric characters at the same time the background is printed.

Summary of Substitute Bill: DOL must implement a flat, digitally printed license plate system by January 1, 2004. All license plates must be manufactured by this system by December 31, 2004.

A 50 cent fee to support current and future license plate systems must be collected at the time of registration and renewal of a motor vehicle, and deposited into the license plate technology account. Expenditures from the license plate technology account must be used to support current and future license plate technology and system upgrades.

DOL must offer vehicle owners, replacing their plate under the replacement requirements, the option of retaining their current license plate number. A retention fee of \$20 must be collected for providing this service.

DOL must offer license plate design services to organizations sponsoring a new special license plate series, or who are seeking to redesign the appearance of an existing special license plate series that they sponsored. DOL must collect a fee of \$1,500 for providing design services.

The revenue collected for the plate number retention and digital design service must first be deposited into the license plate technology account until any capital investment necessary to implement the digital system has been paid in full. Once any capital investment has been paid in full, the revenue from the \$20 number retention fee must be deposited into the multimodal account and the \$1,500 design fee must be deposited into the PSEA account for the purposes of providing funding for the crime victim's compensation program.

The effective date for the plate number retention fee and the 50 cent license plate technology fee is November 1, 2003.

A null and void clause is provided.

Substitute Bill Compared to Original Bill: The standard background requirement is replaced with a requirement that plates be legible and clearly identifiable as Washington State plates.

The distribution of the revenue generated from the plate number retention fee and the digital design service fee is changed. The original bill distributed the revenue from both fees to the multimodal account only. The substitute distributes the fees first to the license plate technology account, until any capital investment necessary to implement a digital license plate system is paid in full. After the capital investment has been paid in full, the revenue from the plate number retention fee is deposited into the multimodal account. The revenue from the digital service is deposited into the PSEA account for the purposes of supporting the crime victim's compensation program.

A license plate technology fee of 50 cents is charged at the time of registration and renewal of a vehicle. The increase of 25 cents to the license tab fee is removed.

The effective date for the plate number retention fee and the 50 cent license plate technology fee is November 1, 2003.

A null and void clause is provided.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Testimony For: The federal government and many other states have switched to digitally printed flat license plates. These plates are very attractive and can be used as a new revenue source for both the state and private organizations. The ability to use a bar code is an attractive option for law enforcement.

Testimony Against: None.

Testified: PRO: TK Bentler, 3M; Steve McQueen, 3M; Rick Jensen, Washington State Patrol Troopers Association; Jim King, Citizens for Parks and Recreation.