

HOUSE BILL REPORT

SSB 5919

As Reported by House Committee On: Transportation

Title: An act relating to creating a San Juan Islands stewardship special license plate.

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

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Lovelett, Nguyen, Dhingra, Hawkins, Randall, Frockt, Das, Hunt and Palumbo).

Brief History:

Committee Activity:

Transportation: 4/1/19, 4/3/19 [DPA].

Brief Summary of Substitute Bill (As Amended by Committee)

- Creates the San Juan Islands special license plate.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 29 members: Representatives Fey, Chair; Slatter, 2nd Vice Chair; Valdez, 2nd Vice Chair; Wylie, 1st Vice Chair; Barkis, Ranking Minority Member; Walsh, Assistant Ranking Minority Member; Young, Assistant Ranking Minority Member; Boehnke, Chambers, Chapman, Doglio, Dufault, Entenman, Eslick, Goehner, Gregerson, Irwin, Kloba, Lovick, McCaslin, Mead, Ortiz-Self, Paul, Pellicciotti, Ramos, Riccelli, Shea, Shewmake and Van Werven.

Minority Report: Do not pass. Signed by 1 member: Representative Orcutt.

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

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nonprofit organization, or a government agency. The sponsoring organization may choose one of two ways to create 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 startup 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 from each plate. 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.

Summary of Amended Bill:

A new special license plate is created that displays a symbol or artwork recognizing the San Juan Islands in Washington. The net proceeds from the special license plate will be provided to the Madrona Institute. In addition to all fees and taxes required to be paid upon application for a vehicle registration, a fee of \$40 will be charged for an initial San Juan Islands special license plate and \$30 for an annual renewal.

Amended Bill Compared to Substitute Bill:

The amended bill removes the word "Stewardship" from the name of the special license plate and clarifies that the net proceeds from the special license plate will be provided to the Madrona Institute without any direction on how the funds are to be used by the organization.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect on October 1, 2019.

Staff Summary of Public Testimony:

(In support) None.

(Opposed) None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.