

HOUSE BILL REPORT

ESHB 1530

As Passed House:
February 26, 2022

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, Springer, Klicker, Jacobsen, Sutherland and Eslick).

Brief History:

Committee Activity:

Transportation: 2/4/22, 2/7/22 [DPS].

Floor Activity:

Passed House: 2/26/22, 84-11.

Brief Summary of Engrossed Substitute Bill

- Creates the Washington Wine special license plate.
- Establishes original and renewal fees for the special license plate.
- Directs proceeds from the plate be directed to the State of Washington Tourism to promote tourism throughout Washington.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 28 members: Representatives Fey, Chair; Wylie, 1st Vice Chair; Bronoske, 2nd Vice Chair; Ramos, 2nd Vice Chair; Barkis, Ranking Minority Member; Eslick, Assistant Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Volz, Assistant Ranking Minority Member; Berry, Chapman, Dent, Donaghy, Duerr, Entenman, Goehner, Griffey, Hackney, Klicker, Orcutt, Paul, Ramel, Riccelli, Slatter, Sutherland, Taylor, Valdez, Walsh and Wicks.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Staff: Michael Hirsch (786-7195).

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 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. 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.

State of Washington Tourism. The State of Washington Tourism (SWT) is a private nonprofit organization comprised of members of the state tourism industry. Among its activities, the SWT operates a state tourism website and publishes a state tourism guide.

Summary of Engrossed Substitute 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 State of Washington Tourism to promote tourism throughout Washington.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on November 1, 2022.

Staff Summary of Public Testimony:

(In support) This plate supports the Washington wine industry and other businesses. Funds from this plate go to the Washington Tourism Alliance and will be used to support tourism and hospitality around the state. This proposed plate has over 4,000 signatures of support and there is demand for this plate. Oregon has an Oregon Wine license plate and the Washington wine industry is larger. Washington wine generates money for the state through tourism. The pandemic has presented challenges to the tourism industry and needs support.

(Opposed) None.

Persons Testifying: Representative Kelly Chambers, prime sponsor; Josh McDonald, Washington Wine Institute; Michael Novakovich, State of Washington Tourism; and Kathryn Hedrick, Washington State Destination Marketing Organization.

Persons Signed In To Testify But Not Testifying: None.