Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Transportation Committee

SSB 5741

Brief Description: Creating Patches pal special license plates.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Lovick, Pedersen, Conway, Nobles, Saldaña, Wellman and Wilson, C.).

Brief Summary of Substitute Bill

- Creates the Patches Pal special license plate.
- Directs proceeds from the plate be directed to the Seattle Children's Hospital's Strong Against Cancer Program.
- Allows for the renaming and redesign of the plate in the future.

Hearing Date: 2/23/22

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.

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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.

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.

Summary of Bill:

The Patches Pal 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 Patches Pal 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 Seattle Children's Hospital's "Strong Against Cancer" program.

By October 1, 2031, and each decade thereafter, the DOL must consult with the Seattle Children's Hospital, and determine whether the Patches Pal license plate design is the best design to support the Seattle Children's Hospital Strong Against Cancer Program in the following 10-year period. If it is determined that a different group of appropriate children's characters would better support the program due to public interest at that time, the DOL must redesign the Patches Pal license plates with these new characters and a new corresponding plate name. The costs associated with this redesign may be paid from the proceeds from the special license plate sales.

Appropriation: None.

Fiscal Note: Available.

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