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## Transportation Committee

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### HB 1952

**Brief Description:** Concerning special license plates.

**Sponsors:** Representatives Donaghy and Reed.

<p><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Creates a legislative task force to review special license plate processes.</li></ul>
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**Hearing Date:** 2/20/25

**Staff:** Sandy Myer (786-7140).

**Background:**

The Department of Licensing (DOL) is authorized to issue specialized vehicle license plates to be used in lieu of standard license plates. A sponsoring organization may pursue the creation of a specialized license plate either by providing an application packet to the DOL for approval prior to pursuing legislation or by having legislation passed without submitting an application.

The overall cost of implementing a new special license plate is approximately \$30,000 and must be paid back in two years by the sponsoring organization. The sponsoring organization is required to pay a start-up cost of \$6,300 at the time of application that is credited against the overall cost of implementation. Once the total cost is recouped, the proceeds of the plate sales will be distributed to the sponsoring organization. If a bill establishing the plate does not pass, the start-up cost is refunded.

The DOL charges a fee of \$40 for the original issuance of a set of special license plates and a \$30 fee is charged for the renewal of the set of plates. The DOL is allowed to retain \$12 of the amount paid for special license plate issuance and \$2 from the amount paid to renew the plates

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for administrative expenses.

The DOL duties regarding special license plates include, but are not limited to, the following:

- review and either approve or reject special license plate applications submitted by sponsoring organizations;
- issue approval and rejection notification letters to sponsoring organization within seven days of determination of application;
- review and approve financial reports submitted by the sponsoring organization who have an active special license plate series;
- report to the Joint Transportation Committee on an annual basis, applications that were considered by the DOL.
- review on an annual basis, the number of plates sold for each special license plate series created after January 1, 2003.

As of February 2025, there are 55 different special license plate names that are currently registered with valid tabs. All sponsoring organizations have repaid the cost associated with the implementation in full.

The DOL has authority to recommend plates for discontinuation, but has not exercised this authority.

### **Summary of Bill:**

The bill creates a legislative task force consisting of two members from the DOL, two members from each of the two largest caucuses of the Senate, and two members from each of the two largest caucuses of the House of Representatives. At least one member from each caucus must be a member of either one of the transportation committees of the Legislature.

The task force is directed to review the following: (1) application requirements and evaluation of special license plate requests; (2) cost of implementing new special license plates and a funding policy for future requests; (3) the state's ability to recoup the cost of new special license plates; and (4) efficiency in processing special license plate legislation.

The task force must report its findings and recommendations to the Legislature by December 1, 2025.

The bill pauses the application process for new special license plates through June 30, 2029, with exception to the special license plates created in House Bill 1368, if the bill is enacted.

**Appropriation:** None.

**Fiscal Note:** Preliminary fiscal note available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.