



**Date:** May 2, 2011

**To:** State Legislation Committee Members

**From:** Patrick H. West, City Manager

**Subject:** AB 610 (Solorio): Vehicles: specialized license plates: donations

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For your information, attached is a fact sheet regarding AB 610 (Solorio). This bill is sponsored by Social Compassion in Legislation (SCIL), an animal welfare advocacy non-profit organization. AB 610 would reduce the minimum number of applications necessary to before a new specialized license plate could be produced from 7,500 pre-order applications to 2,500 pre-order applications.

Please contact Tom Modica, Director of Government Affairs and Strategic Initiatives at 8-5091 if you have any questions.

cc: Mayor and Members of the City Council  
Suzanne Frick, Assistant City Manager  
Reginald Harrison, Deputy City Manager  
Jim McDonnell, Chief of Police  
Ron Arias, Director of Health and Human Services  
Tom Modica, Director of Government Affairs and Strategic Initiatives  
Jyl Marden, City Council Liaison  
Mike Arnold and Associates





# **AB 610 (SOLORIO): VEHICLES:** **SPECIALIZED LICENSE PLATES: DONATIONS**

**INTRODUCED: FEBRUARY 16, 2011**

**MAY 2011**

## **Introduction**

The following is an analysis of AB 610 (Solorio), legislation pertaining to specialized license plates and donations.

## **Background**

Prior to 2007, any new special interest license plate required specific legislative authorization. This practice was held to be unconstitutional as the Courts found that the Legislature approved some of the plates, and rejected others, using no standardized or objective criteria for those decisions. Subsequently, AB 84 (Leslie), Chapter 91, Statutes of 2006, established an administrative process wherein the Department of Motor Vehicles (DMV) issues specialized license plates when: (1) those license plates are sponsored by a state agency, (2) specialized plate's message and the revenues it generates support the sponsoring agency's program, and (3) at least 7,500 paid applications for the specialized plate have been received.

## **Bill Summary**

AB 610 would add Section 5156.5, a completely new section of law, to the California Vehicle Code. Section 5156.5 would allow the Department of Motor Vehicles (DMV) to produce new specialized license plates once 2,500 applications for the plate have been received, if certain conditions are met. These conditions include a requirement for a state agency, board or commission sponsor the new specialized license plate. Sponsoring organizations are responsible for the management of the applications. These responsibilities include the collection of application funds until 2,500 applications have been received and the funds are transferred by the Legislature to the DMV for the issuance of the plates.

Additionally, the bill was amended on April 6, 2011 to include the following language:

*"The specialized license plate shall be of a size, color, and configuration that meets the design criteria as set forth in the California Vehicle Code, Section 5155."*

The bill prescribes a process for creating new specialized license plates, as well as dictates the responsibilities of the sponsoring organization and the DMV. These provisions are below:

- The sponsoring organization is responsible for collecting and holding applications for the plates.
- Once the sponsoring organization has received at least 2,500 applications, it will submit the applications, along with the necessary fees, to the DMV.
- The sponsoring organization will have 12 months, following the date of approval of the organization's initial application, to receive the required number of orders for the new license plate design.
- If the sponsoring organization is unable to collect 2,500 applications within 12 months, then the sponsoring organization will be required to either: (1) refund to all applicants all fees or deposits that have been collected, or (2) contact the DMV to express an intent to

undertake collection of additional applications and fees for an additional period, not to exceed 12 months.

- If the sponsoring organization elects the second option, the sponsoring organization will be required to notify all applicants who have deposited funds of the status of the new specialized license plate design and make available the option for a refund.
- Sponsoring organizations will not be allowed to withhold application funds or deposits for more than 24 months following the date of approval of the organization's initial application to sponsor a specialized license plate program.
- Upon determination by the DMV that there are sufficient funds for the program, moneys will be appropriated by the Legislature, to the DMV for the necessary administrative costs of establishing the specialized license plate program.

AB 610 does not authorize the DMV to issue specialized a license plate to an agency for a vehicle that is exempt from the payment of vehicle registration fees.

### **Committee Analysis**

DMV estimates the start-up cost for establishing a new license plate to be approximately \$400,000. As a result, the 7,500 application threshold was previously put into statute for special interest license plates. The threshold was established in an attempt to assure that the DMV's startup costs would be fully covered by the portion of the registration fee surcharge that is directed to the department and to avoid a proliferation of different types of plates, which can be troublesome from a law enforcement perspective.

The author of this bill asserts that the 7,500 application requirement sets "a very high threshold for pre-orders." He states that this, in conjunction with another change enacted in 2006 prohibiting full-plate graphics (also important to law enforcement), has resulted in "no new plates (having) been issued, even though numerous nonprofits have attempted to create new special-interest license plates."

### **Supporters (as of April 6, 2011)**

- Animal Legal Defense Fund
- Humane Society Veterinary Medical Association
- Pam Slater-Price, San Diego County Supervisor
- PAW - PAC
- Social Compassion in Legislation
- TakeMeHome Animal Rescue

### **Opposition (as of April 6, 2011)**

- None on file.

### **Legislative History**

- Introduced in the State Assembly on February 16, 2011
- Passed the Assembly Committee on Transportation (9-0) on April 6, 2011
- Referred to the Assembly Appropriations Committee; a hearing date has not be set.