

## BILL ANALYSIS

SENATE RULES COMMITTEE	AB 610
Office of Senate Floor Analyses	
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 THIRD READING

Bill No: AB 610  
 Author: Solorio (D), et al.  
 Amended: 3/21/12 in Senate  
 Vote: 27 - Urgency

SENATE TRANSPORTATION & HOUSING COMMITTEE : 8-0, 3/27/12  
 AYES: DeSaulnier, Gaines, Harman, Kehoe, Pavley, Rubio,  
 Simitian, Wyland  
 NO VOTE RECORDED: Lowenthal

SENATE APPROPRIATIONS COMMITTEE : Senate Rule 28.8

ASSEMBLY FLOOR : 65-7, 6/1/11 - See last page for vote

SUBJECT : Special interest license plates

SOURCE : Social Compassion in Legislation

DIGEST : This bill provides the California Veterinary  
 Medical Board extra time to collect 7,500 prepaid  
 applications and fees in order to establish a special  
 interest license plate.

ANALYSIS : Existing law provides for a specialized  
 license plate program, under which the Department of Motor  
 Vehicles (DMV) may issue new special interest license  
 plates only on behalf of state agencies provided that for  
 each state agency:

1. The license plate has "a design or contains a message  
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that publicizes or promotes a state agency, or the  
 official policy, mission, or work of a state agency."  
 The design shall also be confined to the left of and  
 below the numerical series (i.e., no full plate designs  
 allowed).

2. The state agency submits 7,500 applications and  
 accompanying fees to DMV for the license plate. The  
 state agency has 12 months to collect these applications  
 and fees, but it can extend that to a maximum of 24

months if it notifies and offers to refund fees to those that applied during the first 12 months. Once a plate is issued, DMV stops issuing that plate for the agency if the number of plates drops below 7,500.

3. Most plate revenues are used for "projects and programs that promote the state or local agency's official policy, mission, or work." These funds are deposited into the Specialized License Plate Fund and are continuously appropriated to the agency sponsoring the plate.

In addition to the usual registration and license fees, DMV charges the following additional fees for specialized license plates: \$50 (original), \$40 (renewal), \$15 (transfer), and \$35 (license substitute) and deducts its administrative costs from the revenues generated. A sponsoring state agency may not spend more than 25 percent of its license plate funds for administrative, marketing, and promotional costs associated with the plate, and it must submit an annual accounting report to DMV.

This bill:

1. Allows the Veterinary Medical Board (Vet Board), by June 30, 2012, to extend from 24 months to 36 months the maximum amount of time that it may collect prepaid applications for a specialized license plate it is sponsoring. The Vet Board must contact vehicle owners who have applied for the plate already and offer to refund the fee they have paid if they do not want to continue to wait for the board to meet the 7,500 threshold and DMV then to produce the plate.

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2. Contains an urgency clause.
3. Sunsets its provisions on July 1, 2013.

#### Background

Urgency measure . The Vet Board began collecting applications and fees for the Pet Lover/Spay and Neuter Plate in June 2010. A year later, the Vet Board notified applicants that it was going to continue collecting pre-paid applications for another 12 months and offered to refund their fees. It appears that the Vet Board will not reach the 7,500 threshold by June of this year when the second 12 months concludes. Should this bill, an urgency measure, become law by June 2012, then the Vet Board will be able to again extend collection of applications and fees for another 12 months until June 2013.

History of special interest license plates: before 2004 . Historically, the Vehicle Code required DMV to issue, upon legislative authorization, a special interest license plate bearing a distinctive design or decal of a sponsoring organization to any vehicle owner that pays specified fees, provided that the sponsoring organization met certain conditions. These conditions included that the sponsor of a special interest license plate had to collect 7,500 applications and fees for a special license plate in order to pay DMV's costs of creating a new plate, which are

approximately \$375,000 or 7,500 applications times the \$50 fee.

History of special interest license plates: since 2004 .  
 In 2004, a federal court decision, Women's Resource Network v. Gourley, E.D. Cal 2004, F.Supp.2d, 2004 U.S. Dist., invalidated the provisions of the Vehicle Code described in the above urgency measure comment. In the Gourley decision, the court declared California's special interest license plate statutes unconstitutional because they violated the First Amendment right to freedom of speech. The court specifically objected to the Legislature "picking and choosing" special license plates that private organizations propose, in essence promoting the message of some organizations while denying this right to others. The court did allow the ten special interest license plates

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existing at the time of its decision to remain in use and available to new applicants, as they are today.

In response to the court decision, AB 84 (Leslie), Chapter 454, Statutes of 2006, established the current specialized license plate program to provide a forum for government speech that promotes California's state policies. The bill excludes private organizations from seeking specialized license plates as a forum for private speech, and thus addresses the court's objection. Plates now created and the revenue they generate must publicize or promote a state agency, or the official policy, mission, or work of a state agency.

To date, no license plates have been issued under AB 84's specialized license plate program due to an inability to collect 7,500 paid applications.

FISCAL EFFECT : Appropriation: No Fiscal Com.: Yes  
 Local: No

SUPPORT : (Verified 4/9/12)

Social Compassion in Legislation (source)  
 Animal Legal Defense Fund  
 Bay Area Open Space Council  
 City of Long Beach  
 City of Los Angeles  
 Honorable Pam Slater-Price, District 3 Supervisor, San Diego County  
 Humane Society Veterinary Medical Association  
 PAW PAC  
 Take Me Home

ARGUMENTS IN SUPPORT : The author introduced this bill at the request of the Social Compassion in Legislation organization, which since June 2010 in concert with the Vet Board has been promoting sales of the Pet Lover's/California Spay and Neuter Plate in an effort to raise additional funds for the spay and neuter trust fund to distribute grants to eligible agencies throughout the state. The sponsor reports that it and the Vet Board are encountering significant difficulty in meeting the threshold of 7,500 applications for the license plate.

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This bill provides the Vet Board with an additional year to reach the 7,500 threshold.

ASSEMBLY FLOOR : 65-7, 6/1/11

AYES: Achadjian, Alejo, Ammiano, Atkins, Beall, Bill  
Berryhill, Block, Blumenfield, Bonilla, Bradford,  
Brownley, Buchanan, Butler, Charles Calderon, Campos,  
Carter, Cedillo, Chesbro, Conway, Cook, Davis, Dickinson,  
Eng, Feuer, Fletcher, Fong, Fuentes, Furutani, Beth  
Gaines, Galgiani, Gatto, Hagman, Hall, Hayashi, Roger  
Hernández, Hill, Huber, Hueso, Huffman, Jones, Lara,  
Logue, Bonnie Lowenthal, Ma, Mendoza, Miller, Mitchell,  
Morrell, Nestande, Norby, Olsen, Pan, Perea, Portantino,  
Skinner, Smyth, Solorio, Swanson, Torres, Valadao,  
Wagner, Wieckowski, Williams, Yamada, John A. Pérez  
NOES: Donnelly, Grove, Halderman, Harkey, Knight, Mansoor,  
Nielsen  
NO VOTE RECORDED: Allen, Garrick, Gordon, Gorell,  
Jeffries, Monning, V. Manuel Pérez, Silva

JJA:kc 4/9/12 Senate Floor Analyses

SUPPORT/OPPOSITION: SEE ABOVE

\*\*\*\* END \*\*\*\*

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