

AMENDED IN ASSEMBLY APRIL 27, 2010

AMENDED IN ASSEMBLY APRIL 6, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 1815**

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**Introduced by Assembly Member Emmerson**

February 11, 2010

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An act to amend Sections 5157 and 5159 of, and to add Section 5156.1 to, the Vehicle Code, relating to vehicles, and making an appropriation therefor.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1815, as amended, Emmerson. Vehicles: special interest license plates: NASCAR.

Existing law authorizes private organizations to apply to the Department of Motor Vehicles for participation in special interest license plate programs authorized by legislation in which the department issues license plates with a participating organization's distinctive design, decal, or descriptive message and specifies the design criteria for the special license plate. Existing law requires that the organization collect and receive a minimum of 7,500 applications and fees for the special interest license plates from the date of the enactment of the legislation authorizing the special interest license plate. Existing law permits any individual to apply for an organization's special interest license plate.

Existing law also authorizes a state agency to apply to the Department of Motor Vehicles to sponsor a specialized license plate program and requires the department to issue the specialized license plates for the program if the state agency complies with specified requirements.

This bill would authorize the Bureau of Automotive Repair (bureau) to apply to the department to ~~cosponsor~~ *sponsor* a program ~~with the NASCAR Foundation (foundation), a nonprofit organization,~~ for a series of specialized NASCAR license plates that bear emblems, seals, or other symbols or designs displaying themes of professional stock car auto racing, or professional stock car auto racing drivers. The bill would require the department to issue the specialized plates if the bureau complies with existing requirements applicable to specialized license plate programs ~~and if one of 3 conditions occurs. The bill would require that the design of each specialty plate in the series be approved by the department and the Department of the California Highway Patrol.~~

The bill would authorize the department and the bureau to contract with 3rd-party vendors or the Prison Industry Authority for the manufacture, processing, and distribution of the specialized NASCAR license plates. The bill would specify that the fee for the original issuance of the specialized license plates be \$60, and, for the renewal of registration with the plates, the fee would be \$50. The bill would also require that these fees be distributed no less frequently than each quarter annually to the department; ~~and the bureau, and the foundation~~ in specified amounts.

By requiring that the fees for the original issuance and the renewal of a plate be distributed directly to the department; ~~and the bureau, and the foundation,~~ the bill would make a continuous appropriation of these funds.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 5156.1 is added to the Vehicle Code, to  
2     read:  
3     5156.1. (a) (1) Notwithstanding Sections 5154, 5155, and  
4     5156, the Bureau of Automotive Repair, on behalf of the High  
5     Polluter Repair or Removal Account established by Article 9  
6     (commencing with Section 44090) of Chapter 5 of Part 5 of  
7     Division 26 of the Health and Safety Code, may apply to the  
8     ~~department to cosponsor a program with the NASCAR Foundation,~~  
9     ~~a nonprofit foundation operating pursuant to Section 501(c)(3) of~~  
10    ~~the Internal Revenue Code, for a series of officially licensed~~  
11    ~~department to sponsor a program for a series of officially licensed~~

1 National Association for Stock Car Auto Racing (NASCAR)  
 2 driver-specialized license plates, and the department shall issue,  
 3 or cause to be issued, specialized plates for that program, if the  
 4 Bureau of Automotive Repair complies with the requirements of  
 5 this article. This series of plates may bear emblems, seals, or other  
 6 symbols or designs displaying themes of professional stock car  
 7 auto racing, or professional stock car auto racing drivers. *The*  
 8 *design of each specialty plate in the series shall be approved by*  
 9 *the department and the Department of the California Highway*  
 10 *Patrol.*

11 (2) The department shall not issue specialized license plates for  
 12 a vehicle that is exempt from the payment of registration fees  
 13 pursuant to Section 9101 or 9103.

14 (b) The department shall not establish this program until ~~one of~~  
 15 ~~the following occurs:~~

16 ~~(1) The department has received an advance payment from, or~~  
 17 ~~on behalf of, the Bureau of Automotive Repair pursuant to a direct~~  
 18 ~~contract with the department that represents the department's~~  
 19 ~~estimated or actual initial setup and programming costs associated~~  
 20 ~~with the establishment of this program. The contract shall provide~~  
 21 ~~for the repayment of the advance payment to the party or parties~~  
 22 ~~who advanced the funds as part of the initial revenues distributed~~  
 23 ~~to the bureau pursuant to this program.~~

24 ~~(2) The~~ *the* department has received not less than 7,500  
 25 applications for the bureau's specialized license plates. The bureau  
 26 shall collect and hold applications for the plates. Once the bureau  
 27 has received at least 7,500 applications, it shall submit the  
 28 applications, along with the necessary fees, to the department. The  
 29 department shall not issue a specialized license plate until the  
 30 bureau has received and submitted to the department not less than  
 31 7,500 applications for this specialized license plate within the time  
 32 period prescribed in this section.

33 ~~(3) The department has received a certain number of~~  
 34 ~~applications, together with an advance payment from, or on behalf~~  
 35 ~~of, the Bureau of Automotive Repair, in amounts deemed sufficient~~  
 36 ~~by the department to cover the department's estimated or actual~~  
 37 ~~initial setup and programming costs associated with the~~  
 38 ~~establishment of this program. The bureau shall collect and hold~~  
 39 ~~applications for the plates. Once the bureau has received the~~  
 40 ~~specified applications and the advance payment, it shall submit~~

~~the applications, along with the necessary fees, and the advance payment, to the department. The department shall not issue a specialized license plate until the bureau has received and submitted to the department the applications and advance payment for this specialized license plate program within the time period prescribed in this section. The contract shall provide for the repayment of the advance payment to the party or parties who advanced the funds as part of the initial revenues distributed to the bureau pursuant to this program.~~

(c) Notwithstanding Section 4850, the department and the Bureau of Automotive Repair may contract with third-party vendors or the Prison Industry Authority for the manufacture, processing, and distribution of specialty license plates produced pursuant to this section.

(d) The department shall cause to be issued any plate in this series without a minimum number of applications for a specific design.

(e) (1) If, five years after the program is established, the number of outstanding and valid specialized plates in this program is less than 7,500, the department shall notify the Bureau of Automotive Repair and shall inform the bureau that if the number is less than 7,500 one year from the date of that notification, the department will no longer issue or replace plates created under this program.

(2) Any plates issued prior to the discontinuation of the program, as provided in paragraph (1), may continue to be used and attached to the vehicle for which they were issued and may be renewed, retained, or transferred pursuant to this code.

SEC. 2. Section 5157 of the Vehicle Code is amended to read:

5157. (a) In addition to the regular fees for an original registration or renewal of registration, the following additional fees shall be paid for the issuance, renewal, or transfer of the specialized license plates:

(1) For the original issuance of the plates, fifty dollars (\$50).

(2) For a renewal of registration with the plates, forty dollars (\$40).

(3) For transfer of the plates to another vehicle, fifteen dollars (\$15).

(4) For each substitute replacement plate, thirty-five dollars (\$35).

(5) In addition, for the issuance of environmental license plates, as defined in Section 5103, with a specialized license plate design, the additional fees prescribed in Sections 5106 and 5108. The additional fees prescribed in Sections 5106 and 5108 shall be deposited in the California Environmental License Plate Fund.

(6) Notwithstanding paragraphs (1) and (2), for the original issuance of specialized license plates pursuant to Section 5156.1, sixty dollars (\$60), and for the renewal of registration with the plates, fifty dollars (\$50).

(b) The Gold Star Family specialized license plate program as provided in subdivision (d) of Section 5156 shall not be subject to the fees specified in paragraphs (1), (2), and (5) of subdivision (a) and shall only be issued in a sequential series.

(c) Except as provided in paragraphs (5) and (6) of subdivision (a) and subdivisions ~~(b) and (c)~~ (b), (c), and (d) of Section 5159, and after deducting its administrative costs under this section, the department shall deposit the additional revenue derived from the issuance, renewal, transfer, and substitution of the specialized license plates in the Specialized License Plate Fund, which is hereby established in the State Treasury. Upon appropriation by the Legislature, the moneys in that fund shall be allocated to each sponsoring agency, in proportion to the amount in the fund that is attributable to the agency's specialized license plate program. Except as authorized under Section 5159, the sponsoring agency shall expend all funds received under this section exclusively for projects and programs that promote the state agency's official policy, mission, or work.

(d) (1) The Department of Veterans Affairs may actively request and receive donations for the Gold Star Family License Plate Account which is hereby created in the Specialized License Plate Fund and which may consist of donations from public and private entities. Earnings generated by the Gold Star Family License Plate Account shall be retained by the account.

(2) Upon the determination of the department that there are sufficient funds in the Gold Star Family License Plate Account for this purpose, moneys in the Gold Star Family License Plate Account shall be available, upon appropriation by the Legislature, to the department for the necessary administrative costs of establishing the Gold Star Family specialized license plate program.

SEC. 3. Section 5159 of the Vehicle Code is amended to read:

1 5159. (a) Except as provided in subdivisions ~~(b) and (c)~~, *(b)*,  
2 *(c)*, and *(d)*, a state agency that is eligible to participate in a  
3 specialized license plate program pursuant to this article and  
4 receives funds from the additional fees collected from the sale of  
5 specialized plates shall not expend annually more than 25 percent  
6 of those funds on administrative costs, marketing, or other  
7 promotional activities associated with encouraging application for,  
8 or renewal of, the specialized plates.

9 (b) Funds collected by the department from the original issuance  
10 fees from the sale of specialized license plates established pursuant  
11 to Section 5156.1 shall be distributed no less frequently than each  
12 quarter annually, as follows:

13 (1) To the department, ~~twenty dollars (\$20)~~ *eight dollars (\$8)*.

14 (2) To the Bureau of Automotive Repair's High Polluter Repair  
15 or Removal Account, ~~ten dollars (\$10)~~ *fifty-two dollars (\$52)*.

16 ~~(3) To the NASCAR Foundation, thirty dollars (\$30)~~.

17 (c) Funds collected by the department from renewal fees from  
18 the specialized license plate program established pursuant to  
19 Section 5156.1 shall be distributed no less frequently than each  
20 quarter annually, as follows:

21 (1) To the department, ~~twenty dollars (\$20)~~ *eight dollars (\$8)*.

22 (2) To the Bureau of Automotive Repair's High Polluter Repair  
23 or Removal Account, ~~seven dollars (\$7)~~ *forty-two dollars (\$42)*.

24 ~~(3) To the NASCAR Foundation, twenty-three dollars (\$23)~~.

25 *(d) Subdivision (c) of Section 5156.1 does not authorize the*  
26 *Bureau of Automotive Repair to contract with third parties, or*  
27 *otherwise take action, to secure licensing rights for emblems, seals,*  
28 *or other auto racing symbols or designs displaying themes of*  
29 *professional stock car auto racing, or professional stock car auto*  
30 *racing drivers, in order to use those images on specialized license*  
31 *plates.*