

1 SB448
2 96228-1
3 By Senator Figures
4 RFD: Governmental Affairs
5 First Read: 28-FEB-08

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8 SYNOPSIS: Under existing law, the minimum
9 subscription requirement for distinctive license
10 plates is either 250 for a Class 1 tag or 1,000 for
11 a Class 2 tag.

12 This bill would require all sponsoring
13 organizations qualifying for distinctive license
14 plates approved by the legislative oversight
15 committee to obtain a minimum of 1,000 commitments
16 to purchase prior to the manufacture of the plate.
17 The bill would require that before a distinctive
18 license plate may be reissued, at least 1,000
19 registrations must be issued in the fifth year of
20 sales for the plate.

21 Under existing law, persons desiring to
22 register passenger cars, certain pick-up trucks,
23 motorcycles, and self-propelled campers or house
24 cars in the new category must make application
25 through a county license issuing office.

1 This bill would require application through
2 the sponsoring organization which would be
3 forwarded to the state Comptroller.

4 Existing law provides for the distribution
5 of the annual \$50 fee for the distinctive license
6 plate.

7 This bill would distribute a \$1 fee for
8 administrative costs to the state Comptroller and
9 would require an annual report of the sponsoring
10 organizations each year on the use of funds.

11
12 A BILL
13 TO BE ENTITLED
14 AN ACT

15
16 To amend Section 32-6-64 of the Code of Alabama
17 1975, relating to distinctive license plates, to require all
18 sponsoring organizations to obtain a minimum of 1,000
19 commitments to purchase; to provide further for reissuance of
20 the distinctive license plate; to require application through
21 the state Comptroller to register passenger cars, certain
22 pick-up trucks, motorcycles, and self-propelled campers or
23 house cars in a new category; and to amend Section 32-6-68 of
24 the Code of Alabama 1975, relating to fees for distinctive
25 license plates, to require an annual report of sponsoring
26 organizations each year on use of funds and to distribute
27 administrative costs to the state Comptroller.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Sections 32-6-64 and 32-6-68 of the Code
3 of Alabama 1975, are amended to read as follows:

4 "§32-6-64.

5 "(a) (1) The design of license plates, including all
6 emblems, slogans, symbols, or characters appearing on the
7 plates, shall be by regulation as promulgated by the Revenue
8 Commissioner, and as otherwise specified by law. The face of
9 the license plate to be displayed shall be fully treated with
10 a reflective material which will increase the nighttime
11 visibility and legibility of the plate.

12 "(2) Characters on the license plate which designate
13 the county of issuance shall be numeric, and all numerals on
14 the license plates shall be no smaller than two and
15 three-fourths inches in height. The following numbering scheme
16 shall be used:

17 "a. Jefferson County, 1; Mobile County, 2;
18 Montgomery County, 3.

19 "b. All other counties shall be ranked
20 alphabetically and assigned consecutive numbers beginning with
21 4 and concluding with 67.

22 "c. The Department of Revenue shall be responsible
23 for the numbering of distinctive license plates and shall
24 establish a system to minimize duplication of license plate
25 numbers. License plates that shall be approved for manufacture
26 under subsection (b) shall be numbered or personalized.

1 "(b) Effective January 1, ~~1997~~ 2009, the sponsoring
2 organization of any new or reissued distinctive license plate
3 that is not of a college or university or an existing military
4 category shall assure a minimum quantity of ~~250~~ 1,000
5 registrations in order for the proposed plate to qualify for
6 production consideration by the legislative oversight
7 committee under the provisions of Section 32-6-67.

8 "(1) The procedure to assure the quantity minimum
9 for a distinctive license plate shall be as follows:

10 "a. The sponsoring organization shall apply to the
11 Department of Revenue for approval for the proposed
12 distinctive license plate from the legislative oversight
13 committee. At the time of application, the sponsoring
14 organization shall submit a design for the plate ~~or logo for~~
15 ~~the quantity class being applied for as described below:.~~

16 ~~"1. Quantity Class 1 (250 to 999 registrations). A~~
17 ~~new distinctive license plate category, or an existing~~
18 ~~distinctive license plate to be reissued, in which~~
19 ~~registrations are estimated to be at least 250, but less than~~
20 ~~1,000, shall be in conformity with the design approved by the~~
21 ~~legislative oversight committee for license plates in this~~
22 ~~quantity class. This plate shall include a space designated on~~
23 ~~the left side of the license plate, not exceeding two and~~
24 ~~one-half inches in width and height, in which an appropriate~~
25 ~~emblem, slogan, or logo design may be applied to represent the~~
26 ~~organization for whom the distinctive license plate is issued.~~
27 ~~The distinctive license plate may contain, either at the top~~

1 or bottom of the license plate, opposite the state name, the
2 name of the distinctive license plate category or group. Each
3 proposed emblem, slogan, symbol, or logo shall be subject to
4 the approval of the legislative oversight committee.

5 "2. ~~Quantity Class 2~~ (1,000 or greater
6 registrations). This quantity class may use the logo system
7 described for ~~Quantity Class 1~~, or may use a unique design for
8 the entire plate which is approved by the legislative
9 oversight committee and meets all other design and manufacture
10 requirements of Alabama law.

11 "b. After the legislative oversight committee
12 approval and notification to the Department of Revenue, the
13 department shall also coordinate with the Comptroller to
14 establish funding procedures for deposit, ~~and~~ maintaining
15 monies held, and verifying commitments to purchase pending
16 issuance of the new category of license plates.

17 "c. Each person desiring to register a vehicle in
18 the new category shall make application through the
19 ~~appropriate county issuing official~~ sponsoring organization
20 and shall remit, as a commitment to purchase, the additional
21 fee associated with the license plate category.

22 "d. ~~The issuing official shall deduct from the~~
23 ~~additional fee and retain a two and one-half percent~~
24 ~~commission as provided by law. The balance~~ additional fee
25 shall be forwarded in a manner as prescribed by the
26 legislative oversight committee to the Comptroller to be
27 retained in escrow, until such time as the revenue received is

1 equal to or greater than the minimum amount required to issue
2 license plates in that category. If, after one year from the
3 date of notification of approval by the legislative oversight
4 committee, the number of subscribers for a category fails to
5 reach ~~250 for Quantity Class 1, or fails to reach 1,000 for~~
6 ~~Quantity Class 2~~, upon notification by the Department of
7 Revenue, the Comptroller shall pay the money in escrow to the
8 sponsoring organization less the fees provided for in Section
9 32-6-68(b)(3) and (5) and no further consideration for
10 production of this proposed distinctive plate shall be made
11 under this application or any other application made by the
12 organization for a period of one year.

13 "e. Upon notification by the Comptroller to the
14 Department of Revenue that a sufficient number of applications
15 for a plate category has been received, the department shall
16 initiate the ordering processes for design and manufacture of
17 the approved license plate. At that time, the Comptroller
18 shall pay out of the escrow account the amounts referred to in
19 Section 32-6-68.

20 "(2) Notwithstanding any other provisions to the
21 contrary, except where specifically provided by subsection
22 (b), effective January 1, ~~1997~~ 2009, no series of distinctive
23 license plates shall be reissued unless ~~the following~~
24 ~~requirements are met:~~ there shall have been issued in the
25 fifth year of sales a minimum of 1,000 plates.

1 ~~"a. For Quantity Class 1 distinctive license plates,~~
2 ~~there shall have been issued in the prior license year a~~
3 ~~minimum of 250 license plates.~~

4 ~~"b. For Quantity Class 2 distinctive license plates,~~
5 ~~there shall have been issued in the prior license year a~~
6 ~~minimum of 1,000 license plates.~~

7 "(3) The use of distinctive license plate categories
8 shall be limited to use on passenger cars, pick-up trucks ~~of~~
9 ~~not more than 8,000 pounds gross weight~~ as defined in Section
10 32-8-2, motorcycles, and self-propelled campers or house cars.

11 "(c) (1) The Department of Corrections is directed to
12 supply all license plates and revalidation devices required
13 under this subdivision. The amounts charged by the Department
14 of Corrections for the manufacture of revalidation devices
15 shall not be less than that charged for the manufacture of
16 license plates on a per item basis.

17 "(2) The Department of Corrections shall maintain an
18 accurate system of record-keeping which shall trace and
19 account for the handling and distribution of each plate and
20 revalidation device throughout the manufacturing process until
21 the items are distributed to each county.

22 "(d) After the five-year license plate has been in
23 use for a period of three years the Department of Corrections
24 shall manufacture all subsequent license plates for the
25 remaining two years of the period from a metal of less
26 durability and quality than the metal used in manufacturing
27 the five-year license plates.

1 "§32-6-68.

2 "(a) Effective January 1, ~~1997~~ 2009, each new
3 distinctive license plate issued shall require, in addition to
4 the standard registration fee, an additional annual fee of
5 fifty dollars (\$50).

6 "(b) The additional license plate fee as provided
7 for in subsection (a) shall be distributed in the following
8 manner:

9 "(1) Two and one-half percent commission, provided
10 by Section 40-12-269(a)(1), provided that this commission does
11 not apply when a pre-commitment is collected by the sponsoring
12 organization.

13 "(2) Manufacturing costs of one dollar and fifty
14 cents (\$1.50) to the Department of Corrections.

15 "(3) Administrative costs of one dollar (\$1) to the
16 Department of Revenue.

17 "(4) State shares of five dollars (\$5) shall be
18 transmitted to the State Comptroller for deposit into the
19 Penny Trust Fund as established by Amendment 512 of the
20 Constitution of Alabama of 1901.

21 "(5) Administrative costs of one dollar (\$1) to the
22 state Comptroller.

23 "~~(5)~~ (6) The remainder of the additional fee shall be
24 distributed to the sponsoring organization or as otherwise
25 provided under the terms of the application approved by the
26 legislative oversight committee. The sponsoring organization
27 shall file an annual report in a manner as prescribed by the

1 legislative oversight committee disclosing how the funds were
2 expended. If the sponsoring organization fails to properly
3 file the annual report then the sponsoring organization shall
4 no longer be eligible to continue sponsoring the distinctive
5 license plate category and shall be subject to the
6 pre-commitment requirements of Section 32-6-64 before the
7 organization can sponsor another distinctive license plate.

8 "(c) The distribution of fees for tags which were
9 authorized by legislative act before January 1, 1998, shall
10 continue in effect, any other provision of law to the contrary
11 notwithstanding."

12 Section 2. This act shall become effective on the
13 first day of the third month following its passage and
14 approval by the Governor, or its otherwise becoming law.