

Date of Hearing: March 23, 2015

ASSEMBLY COMMITTEE ON TRANSPORTATION
Jim Frazier, Chair
AB 270 (Nazarian) – As Amended March 16, 2015

SUBJECT: Specialized license plates: diabetes awareness

SUMMARY: Requires the State Department of Public Health (DPA) to apply to the State Department of Motor Vehicles (DMV) to sponsor a diabetes awareness, education, and research specialized license plate program (program), as specified. Establishes the Diabetes Awareness Fund (fund) and specifies that revenues from the fund will be used by DPA to fund programs related to diabetes awareness and prevention, as specified.

EXISTING LAW:

- 1) Allows any state agency to apply to DMV to sponsor a specialized license plate program.
- 2) Requires DMV to issue specialized license plates for that program if the agency complies with all statutory requirements.
- 3) Prohibits DMV from establishing a specialized license plate program for an agency until it has received not less than 7,500 paid applications for that agency's specialized license plates.
- 4) Requires the agency to collect and hold applications for the plates. Once the agency has received at least 7,500 applications, it must submit the applications, along with the necessary fees, to DMV.
- 5) Prohibits advance payment to DMV of its estimated or actual administrative costs associated with the issuance of a particular specialized license plate from constituting compliance with the 7,500 application threshold requirement.
- 6) Requires funds accruing to a sponsoring state agency from the sale of specialized license plates to be expended exclusively for projects and programs that promote that agency's official policy, mission, or work.
- 7) Allows specialized license plates to feature a distinctive design, decal, or distinctive message in a two-inch by three-inch space to the left of the plate's numerical sequence and a space not larger than 5/8-inch in height below the numerical series.

FISCAL EFFECT: Unknown

COMMENTS: Prior to 2007, any new specialized license plate required specific legislative authorization. That practice was held to be unconstitutional by the federal courts in that the Legislature approved some of the plates and rejected others, while using no standardized or objective criteria for those decisions. 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. AB 84 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. Furthermore, the process requires that at least 7,500 paid applications must be received by the state agency prior to notifying DMV. The 7,500-application threshold was previously put into statute for specialized license plates and was arrived at in an attempt to assure that DMV's startup costs would be fully covered by the portion of the registration fee surcharge that is directed to DMV and to avoid a proliferation of different types of plates, which can be troublesome from a law enforcement perspective.

Diabetes is a serious medical condition that has impacted people across the entire United States. According to the Center for Disease Control and Prevention (CDC), 28.9 million people over age 20 have diabetes. Moreover, recent studies cited in a California State Auditor (CSA) report (2014) found that the number of people diagnosed with diabetes in California has jumped 50 percent from 2001 to 2012. While cases of diabetes have increased, CSA further reported that funding for diabetes prevention has declined over the past several years and has resulted in program expenditure cuts.

The author introduced this bill in attempt to establish an additional funding source for diabetes prevention and raise awareness through education and outreach efforts. The author notes that this bill "will establish a diabetes specialized license plate in order to promote diabetes awareness and allow motorist to show their support for the prevention of diabetes."

Previous legislation: Over the past 5 years, 13 bills have been introduced directing a state agency to sponsor a specialized license plate for a variety of causes. Of the 13 bills, eight passed the Legislature and were signed by the Governor. Most recently, in 2014, four bills were introduced and enacted to raise money for Salton Sea restoration [AB 1096 (Nestande), Chapter 353, Statutes of 2014], kidney disease research [AB 2450 (Logue), Chapter 359, Statutes of 2014], breast cancer awareness [AB 49 (Buchanan), Chapter 351, Statutes of 2014], and domestic violence prevention [AB 2321 (Gomez), Chapter 358, Statutes of 2014].

REGISTERED SUPPORT / OPPOSITION:

Support

American Diabetes Association
American Federation of State, County, and Municipal, AFL-CIO
Behavioral Diabetes Institute

Opposition

None on file

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