Date of Hearing: April 28, 2025

ASSEMBLY COMMITTEE ON TRANSPORTATION Lori D. Wilson, Chair AB 997 (Stefani) – As Introduced February 20, 2025

SUBJECT: Child health and safety: "Have a Heart, Be a Star, Help Our Kids" license plate program

SUMMARY: Increases initial and renewal fees for the Have a Heart, Be a Star, Help Our Kids (Kids' Plate) specialty license plate program and revises the allocation of funds derived from that program for childhood injury prevention and child abuse prevention, and childcare provider licensing, training, and recruitment, commencing July 1, 2027. Specifically, **this bill**:

- 1) Requires, in addition to the regular fees for an original registration, a renewal of registration, or a transfer of registration, the following Kids' Plate license plate fees to be paid:
 - a) Notwithstanding environmental license plates, for those specialized license plates whose character sequence is determined by the license owner or applicant:
 - i. \$90 for the initial issuance of the plates. Requires these plates to be permanent and is not required to be replaced;
 - ii. \$80 for each renewal of registration that includes the continued display of the plates;
 - iii. \$15 for transfer of the plates to another vehicle; and,
 - iv. \$35 for replacement plates, if the plates become damaged or unserviceable.
 - b) For those specialized license plates whose character sequence is assigned by the DMV:
 - i) \$40 for the initial issuance of the plates. Requires these plates to be permanent and is not be required to be replaced;
 - ii) The legally allowed fee for renewal plus \$30 for each renewal of registration, which includes the continued display of the plates;
 - iii) \$15 for transfer of the plates to another vehicle; and,
 - iv) \$20 for replacement plates, if the plates become damaged or unserviceable.
- 2) Provides that 1) above, become operative on July 1, 2027.
- 3) Requires moneys allocated to the Child Health and Safety Fund from the specialty vehicle license plate program pursuant to 1) and 2), above to be expended, upon appropriation by the Legislature, for the purposes specified in 4) through 8) below.
- 4) Requires 50% of the moneys derived from the license plate program pursuant to 1) through 10) above, before July 1, 2027, to be available, upon appropriation, to state and local childcare provider licensure, oversight, recruitment, training, and development.
- 5) Requires the moneys described in 4) above, to be allocated to the State Department of Social Services (CDSS) for the purpose of administering child daycare licensing and the California Child Day Care Facilities Act, including administering daycare centers and family daycare homes and any relevant offenses. Specifies that the allocation not be less than the allocation

appropriated by the Legislature during the 2024-25 fiscal year to support the administration of those provisions.

- 6) Allows CDSS, in order to implement the list of priorities set forth in state law, and to complete implementation of the administration of childcare licensing, to, as necessary, fund appropriate administrative support costs derived from the additional \$501,000, in excess of the 50% derived from the license plate program before July 1, 2027.
- 7) Requires the remainder of the funds derived from the license plate program prior to July 1, 2027, following allocation pursuant to 6) above, to be allocated to childcare safety and health as follows:
 - a) Requires 90% of the funds or an adjusted amount based on the initial distribution in
 6) above, to be allocated to the 58 First 5 County Commissions on a per-capita basis, as follows:
 - i) Requires 50% of the funds described in a) above, to be distributed to the 58 First 5 County Commissions in counties with a population greater than 500,000, who shall receive equal amounts of the available Kids' Plates funding; and,
 - ii) Requires 50% of the funds described in a) above, to be distributed to the 58 First 5 County Commissions in counties with a population of 500,000 or fewer, who shall receive equal amounts of the available Kids' Plates funding.
 - b) Requires funds allocated pursuant to a) above, to be used for one or both of the following:
 - i) Recruiting new childcare providers; and,
 - ii) Supporting education and training for new childcare providers or continuing education for existing childcare providers, including licensed and exempt providers.
 - c) Requires 10% of the funds described in this paragraph to be allocated to the state agency having oversight of new and continuing childcare provider health and safety education and training program curriculum and to be used for the following purposes:
 - i) Review and approval of childcare provider health and safety education and training as established in state regulations;
 - ii) Onsite reviews of approved education and training programs to ensure approved curriculum is adhered to and to observe the quality of the education and training program delivery; and,
 - iii) Coordination with relevant bodies involved in improving access, quality, and affordability of childcare, including, but not limited to, childcare provider recruitment and planning agencies, academic institutions, and childcare and child development councils.
- 8) Requires 50% of the moneys derived from the license plate program pursuant to state law or after July 1, 2027, to be available, upon appropriation, for programs that address any of the following child health and safety concerns and that are either to be carried out within a two-year period or whose implementation is dependent upon one-time initial funding:

- a) Requires the moneys identified in 8) above, to be distributed in the following three ways to support childhood injury prevention:
 - Requires 75% of the funds to be distributed to each of the state's county First 5 County Commissions created pursuant to the California Children and Families Program that elect to receive the funds based on the following allocation formula. The choice to elect to receive the funds is based on an annual survey of all 58 county commissions conducted by the nonprofit staffing the Safer California Project and reported to the appropriate state agency charged with the actual allocation of the funds to the First 5 county commissions.
 - 1. Requires county commissions in counties with populations over 100,000 to receive equal shares of 80% of the available funds for distribution to county commissions opting into receiving these funds based on the survey completed;
 - 2. Requires county commissions in counties with populations equal to, or under 100,000 to receive equal shares of 20% of the available funds for distribution to county commissions opting into receiving these funds based on the survey completed;
 - 3. Requires the county commissions receiving these funds to only utilize the funds for programs that address the categories described in 5) below, that are either to be carried out within a two-year period or whose implementation is dependent upon one-time initial funding; and,
 - 4. Requires each county commission electing to receive this funding to use the funds for any of the following:
 - a. To support local programs that further unintentional injury prevention in one or any of the unintentional injury categories described in 5) below;
 - b. To supplement and not supplant existing funding supporting programs furthering child health and safety and aligned with childhood unintentional injury prevention;
 - c. To promote and practice those evidence-based best prevention practices addressing childhood unintentional injury provided or recommended by the California Unintentional Injury Prevention Strategic Plan
 - d. At the county commission's discretion, to participate with the California Unintentional Injury Prevention Strategic Plan Project pursuant to the project's responsibilities;
 - e. Where appropriate, to collaborate with regional or local childhood unintentional injury prevention coalitions or programs, including childhood unintentional injury prevention coalitions or programs on tribal lands; and,
 - f. The commissions may use the funds described in this paragraph to participate at the annual California Children and Families Commission conference but only if that conference has programs or tracks of activities focused on childhood unintentional injury prevention and participate in the biennial Safer California Unintentional Injury Prevention conference.
 - 5. Requires the funds allocated 8) above, to only be used to address the following childhood unintentional injury issues:

- a. Vehicular safety, including restraint, warnings, and education programs;
- b. Drowning prevention;
- c. Playground safety standards;
- d. Pedestrian safety;
- e. Bicycle safety;
- f. Gun safety;
- g. Home fire and burn safety and family disaster planning;
- h. Poison control safety;
- i. In-home safety;
- j. Childhood poisoning, including from prescription medications, lead, and other toxic substances;
- k. Sleep suffocation and sudden infant death syndrome;
- 1. Children left in parked cars and children run over by cars moving forward or backward;
- m. Sports-related concussions, heat stroke, cardiac arrest, and spinal injury safety; and,
- n. Unintentional injuries associated with mental health.
- ii) Requires 17% of the funds identified in a) of 8) above, to be distributed to the California Department of Public Health's (CDPH) branch responsible for childhood injury prevention for three purposes:
 - 1. Provide technical assistance and distribution of evidence-based prevention practices information to childhood injury prevention programs engaged in childhood injury prevention issue categories described in 5) of 8) above;
 - 2. Provide oversight and accountability of programs conducted pursuant to c) of 7) above, as reported annually to the CDPH by the organization providing administration and staffing for the California Unintentional Injury Prevention Strategic Plan Project pursuant to c) of 7); and,
 - 3. Provide planning, financial, and attendance support to the biennial Safer California Unintentional Injury Prevention conference.
- iii) Requires 8% of the funds identified in a) of 8) above, to be allocated to the nonprofit organization providing administration and staffing to the California Unintentional Injury Prevention Strategic Plan Project, known as the Safer California Project, with responsibility to:
 - 1. Support statewide networking of local childhood unintentional injury prevention coalitions and programs;
 - 2. Support evidence-based, best practice technical assistance and training programs for childhood unintentional injury prevention, including sharing successful local models of unintentional injury prevention, for local prevention coalitions, programs, and county commissions as described in 5) of 8) above;
 - 3. Support the updating of childhood unintentional injury prevention strategic planning identification of the top 10 action priorities necessary to support the state ending unintentional injury as the leading cause of death and hospitalizations of California's children and youth through 19 years of age;

- 4. Planning activities for the biennial Safer California Unintentional Injury Prevention conference;
- 5. Support public policy to prevent childhood unintentional injury;
- 6. Conduct an annual survey of the county commissions created through state law to determine which of the county commissions elect to receive this funding, and to transmit that survey result to the state for distribution of the funding to the county commissions; and,
- 7. Provide the CDPH childhood injury prevention branch with an annual report on actions carried out iii) above.
- b) Requires the remaining 50% of the funds derived from the license plate program on and after July 1, 2027, to be used for child abuse prevention as follows:
 - i) Requires 90% of the moneys described in this paragraph to be deposited in the county children's trust fund for the support of child abuse prevention services in the community; and,
 - ii) Requires 10% of the moneys described in this paragraph to be deposited in the State Children's Trust Fund for public education, training, and technical assistance.
- 9) Provides that 3) through 8) above, shall become operative on July 1, 2027.

EXISTING LAW:

- Establishes the Have a Heart, Be a Star, Help Our Kids license plate program and sets fees for the initial, renewal, transfer, and replacement of the plates. (Vehicle Code section (VEH) 5072)
- 2) Creates within the State Treasury the Child Health and Safety Fund and requires that moneys for the fund be derived from the Kids' Plates program and that civil penalties on child day care facility providers be deposited into this fund. Requires revenue to be allocated as follows: 50%, plus \$501,000, to CDSS for childcare licensing and administration, 25% to CDSS for child abuse prevention, 90% of which is deposited into the county's children's trust fund; 25% to CDPH to support prevention education, training, and technical assistance on a specified list of ten childhood unintentional injury areas. (Welfare and Institutions Code section (WIC) 18285)
- 3) Requires the Community Care Licensing Division (CCLD) of CDSS to regulate childcare licensees through an organizational unit separate from that used to regulate all other licensing programs. Requires CDSS to notify the appropriate legislative committees whenever actual staffing levels of licensing program analysts within the child care licensing branch drops more than 10% below authorized positions, and for the budget for the child care licensing branch to be included as a separate entry within CDSS department budget. (Health and Safety Code section (Health and Safety Code (HSC) 1596.816)
- 4) Establishes requirements related to the licensing and administrative provisions of the California Child Day Care Act (HSC 1596.70 1597.21, *et seq.*)

- 5) Authorizes, in the event a county elects to participate in the California Children and Families Program, and satisfies the specified requirements set forth in existing law, the county to establish a county commission that is either a legal public entity separate from the county or an agency of the county with independent authority over the strategic plan. (HSC 130140.1)
- 6) Declares legislative intent that specified priorities and programs be funded and implemented in the order they are listed, and that each priority and program may be funded and implemented independently of the other priorities and programs. Requires the Directors of the California Department of Motor Vehicles (DMV) and CDSS to annually make a determination whether the total annual receipts for the Kids' Plate program is sufficient to cover these priorities and programs and, if so, for CDSS to implement that priority or program. (WIC 18285.5)
- 7) Requires that a county board of supervisors that designates a commission with duties primarily related to services for children to also establish a county children's trust fund. Further requires that money in the county children's trust fund to be used to fund child abuse and neglect prevention and intervention programs operated by private nonprofit organizations or public institutions of higher education with recognized expertise in fields related to child welfare. (WIC 18965, *et seq.*)
- 8) Creates in the State Treasury, the State Children's Trust Fund, and requires money from the Fund to be allocated to CDSS for the purpose of funding child abuse and neglect prevention and intervention programs, as specified. (WIC 18969)

FISCAL EFFECT: Unknown

COMMENTS: California offers 16 specialized license plates. The black and yellow legacy plate is the most popular specialized license plate and in fiscal year 2020-2021, the plate generated \$39.4 million in revenue for the California Environmental Protection Program. The second most successful plate, the Kid's Plate, brings in substantially less money at \$3.5 million.

As the black and yellow plate grows in popularity, the Kid's Plate has lost popularity. By 2021, the Kid's Plate annual revenue dropped from \$3.5 million to \$3.1 million. Nonetheless, the Kid's Plate's revenues far exceed that of other specialized license plates. The Arts Plate, which features palm trees and a sun setting over the ocean, was in a distant third, bringing in a total of \$1.3 million.

According to the author, "The Kid's Specialty License Plates Program, established by former state legislator Jackie Speier, has long been a vital funding source for child abuse prevention and safety programs across California. However, since its inception in the 1990's, the program has not been updated and does not equitably distribute funds across all 58 counties. [This bill] will modernize the program by modestly increasing the cost of the specialty plates, ensuring more funds are generated and that they are fairly allocated to support children's safety initiatives in every corner of the state. This bill is a critical step toward strengthening our commitment to protecting California's most vulnerable children."

Under existing law, an individual can pay to customize their license plate sequence by paying \$53 to customize the standard license plate or most specialty license plates, or they can customize the black and gold or Kid's Plates for \$50.

Committee concerns: One of the reasons the Kid's Plate may be as popular as it is in California may simply be its price. The two most popular license plates, the black and gold legacy plate, and the Kid's Plate, are the cheapest to allow a person to personalize the plate. It is \$3 cheaper to customize the Kid's Plate than it is to customize a standard California license plate. The vast majority of people who purchase a Kid's Plate opt to personalize them. Of the over 64,000 Kid's Plates currently registered, 62,577 of them are personalized.

This bill raises the cost of customizing the Kid's Plate \$50 to \$90 in order to increase revenue. This customization would still be cheaper than the cost of personalizing a specialized license plate, which is \$103. However, it is possible that the 80% increase in the cost of the plate will result in people opting to purchase the legacy plate instead.

The Kid's Plate has lost over \$1.5 million in annual revenue since the introduction of the legacy plate.



The Legislature may want to be wary of increasing the cost of customizing a Kid's Plate by 80% because it would leave consumers with more affordable customization options such as the legacy plate.

Previous legislation: AB 1336 (Smith), Chapter 47, Statutes of 2019, added to the list of child health and safety concerns for which funds deposited into the Child Health and Safety Fund may be expended to include: pedestrian safety, childhood poisoning, including from prescription medications, lead, and other toxic substances, sleep suffocation and sudden infant death syndrome, children left in parked cars and children run over by cars moving forward or backward; and sports-related concussions, heat stroke, and spinal injury safety.

AB 3087 (Speier), Chapter 136, Statutes of 1992, created the California Kids' Plate program, as well as the Children's Health and Safety Special Fund to capture and expend the revenues from the Kids' Plate license sales and renewals.

AB 2828 (Bains) of 2024, would have increased the fees associated with Kids' Plates, and specified the proportion of moneys derived from the license plate program to be available for child abuse prevention programs and childcare licensing, recruitment, and training, among others. *AB 2828 was held on the Assembly Committee on Appropriations suspense file*.

SB 608 (Becker) of 2023, would have increased the fees for the issuance and renewal of Kids' Plates and revised the allocation of funds derived from that program. SB 608 would have reduced the percentage provided to CDSS CCLD and would have increased the allocation of funds to childcare safety and health and First 5 county commissions. *SB 608 was held on the Senate Appropriations Committee suspense file*.

AB 2602 (Salas) of 2022, would have reallocated funds from the Kids' Plate program as follows: 50% to local childcare and development planning councils, 25% to county commissions that elect to receive funding, and would limit the spending of those funds for certain purposes, including administering the California Unintentional Injury Prevention Strategic Plan Project (CUIPSP), 10% to the nonprofit organization that provides administrative and staff support to the CUIPSP. *AB 2602 was referred to the Assembly Human Services Committee but was not set for a hearing*.

SB 1158 (McGuire) of 2018 would have increased the fees for initial license plates under the Kids' Plate program and would have revised the allocation of funds derived from that program to reduce the percentage provided to CDSS' CCLD, increased the percentage allocated to CDPH, and provided a new allocation to the Emergency Medical Service Authority, and would have modified the list of specified child health and safety concerns administered by CDPH. *SB 1158 was held on the Senate Appropriations Committee suspense file.*

REGISTERED SUPPORT / OPPOSITION:

Support

California Coalition for Children's Safety and Health Children's Advocacy Institute, University of San Diego School of Law First 5 Association of California Honorable Jackie Speier, Member of the United States Congress

Opposition

One Individual

Analysis Prepared by: David Sforza / TRANS. / (916) 319-2093