

Date of Hearing: June 25, 2018

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

SB 1455 (Stern) – As Amended June 19, 2018

SENATE VOTE: 39-0

SUBJECT: Specialized license plates: Endless Summer.

SUMMARY: Requires the State Coastal Conservancy (SCC) to apply to the Department of Motor Vehicles (DMV) to sponsor an Endless Summer license plate for the coastal conservancy awareness program. Specifically, **this bill:**

- 1) Requires the SCC to apply to the DMV to sponsor the Endless Summer license plate program.
- 2) Requires the DMV, in consultation with SCC, to design the license plate, including a surfer design from the movie “The Endless Summer” and requires “The Endless Summer” to be printed on the plate.
- 3) Requires SCC to consult with the California Highway Patrol (CHP) on the design of the plate to ensure it does not obscure the readability of the license plate.
- 4) Allocates the net revenue from the Endless Summer license plate to the SCC to award grants for, and undertake projects and programs that:
 - a) Promote surfing, its heritage and cultural impact as well as its physical, mental and environmental benefits.
 - b) Promote coastal conservation and awareness through other activities, including interpretive learning, cleanup, and stewardship of coastal resources, and transportation services to promote access to these programs for at-risk youth, youth and adults from disadvantaged communities, and persons with disabilities.

EXISTING LAW:

- 1) Provides for a specialized license plate program, under which DMV may issue specialized license plates only on behalf of state agencies and provided that:
 - a) The license plate has “a design or contains a message that publicizes or promotes a state agency, or the official policy, mission, or work of a state agency.” The design shall also be not larger than two inches by three inches and confined to the left of and below the numerical series (i.e., no full-plate designs allowed).
 - b) The agency submits a minimum of 7,500 applications and accompanying fees to DMV for the license plate. The 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 who 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.

- 2) Authorizes DMV to charge, in addition to the usual registration and license fees, the following additional fees for specialized license plates: \$50 for the initial issuance, \$40 for annual renewal, and \$98 to personalize. DMV deducts its administrative costs from the revenues generated. The net revenues derived from a specialized license plate are then available upon appropriation for the sponsoring state agency to expend exclusively on projects and programs that promote the state agency's official policy, mission, or work.

FISCAL EFFECT: Unknown

COMMENTS:

Specialized License Plates: California allows individuals to request a specialized license plate for their vehicle for an additional fee of \$50 and for a renewal fee of \$40. These plates generally have a different design than the standard plate, and are sponsored by a state agency that receives the additional fees after DMV has received enough funds to reimburse the agency for the costs of issuing the specialized plates.

In the past, California allowed private organizations to sponsor specialized license plates by making an application to DMV and allowed DMV to refuse to issue a plate based on its content. A U.S. District Court determined that the process for creating the plates was a freedom of speech violation as the court had determined that the process California used for creating specialized license plates was private speech and DMV could not turn down sponsorships based on content.

In response, the Legislature passed and Governor Schwarzenegger signed AB 84 (Leslie), Chapter 454, Statutes of 2006, which restricted DMV to only issue specialized license plates if they were sponsored by a state agency that received 7,500 commitments from individuals to purchase the plates.

The fees generated from 7,500 plates are necessary to ensure there are enough funds to reimburse DMV for the costs of producing a new plate.

Since the passage of AB 84, the U.S. Supreme Court, in *Walker v. Texas Division, Sons of Confederate Veterans*, determined that specialized license plates are government speech, not private speech, and upheld a Texas law that was similar to California's previous process of establishing specialized license plates.

A Bill Is Not Necessary to Create a New Specialized Plate: A new specialized license plate does not require legislation. A state department just needs to sponsor a plate, and members of the Legislature or private individuals can ask state agencies to sponsor a new plate. If there is a good plan in place to get to the 7,500 commitments, an agency would likely be happy to sponsor a plate because it would mean additional revenue for that agency.

A good example of sponsors successfully switching their efforts from legislation to the administrative process would be the current effort to create an "Imagine No Hunger" plate with an image of John Lennon. The plate is currently being sponsored by the California Department of Social Services. AB 2131 (Maienschein) of 2016, would have required the Department of Food and Agriculture to sponsor a similar plate, but was held on the Assembly Appropriations Committee suspense file.

The current process has not stopped members of the Legislature from introducing bills requiring agencies to sponsor plates. These bills have largely been unsuccessful. Of the 12 legislatively-sponsored plates approved since 2000, only two have met the 7,500 commitment threshold. Of the four that have passed since 2014, only one reached the threshold. In the 2015-16 Legislative Session, seven bills were introduced directing a state agency to sponsor a specialized license plate. All seven died in either the Senate or Assembly Appropriations Committee.

Goals of the SCC: The SCC was established in 1976 to protect and improve natural lands and waterways, help people access and enjoy the outdoors and sustain local economies. The Conservancy has completed over 2,400 projects along the California coast line and in the San Francisco bay. These projects include preserving almost 20,000 acres of wetlands, dunes, and wildlife habitat, building hundreds of miles of trails along the coast line and assisting in the completion of more than 100 urban waterfront projects. This bill directs excess funds generated by the sale of the specialized license plate to SCC to promote surfing and conservation.

The Endless Summer: *The Endless Summer* is a 1966 surfing documentary directed and narrated by Bruce Brown. The movie follows two California surfers, Mike Hynson and Robert August, who go on a yearlong surfing trip around the world to find new surf spots and to introduce locals to the sport, in a quest to experience an endless summer. The film was selected for preservation on the United States National Film Registry by the Library of Congress, and is widely considered the most significant surfing movie of all time.

Committee Comments: The Legislature should consider if it is proper to memorialize a movie about two Californians leaving the state to find a better place to surf.

Related Legislation: SB 1112 (Roth) requires the Department of Housing and Community Development to apply to DMV to sponsor a specialized license plate that includes the hashtag symbol to fund housing supportive services. SB 1112 is set to be heard by this committee on June 25, 2018.

SB 1189 (Newman) requires the Department of Parks and Recreation to apply to DMV to sponsor a specialized license plate bearing the officially licensed logo, emblem or trademark of a California professional sports franchise to fund operations and maintenance of state parks and recreation grant programs. SB 1189 is awaiting a hearing by this committee.

AB 1251 (T. Allen) requires the SCC to apply to DMV to sponsor an “Endless Summer” license plate for a coastal conservancy awareness program. AB 1251 was set to be heard by this committee but the hearing was cancelled at the request of the author.

SB 1357 (Gaines) requires The Department of Veteran Affairs to replace the “Honoring Veterans” specialized license plate with a “Veteran” specialized license plate and restricts the plate’s sale exclusively to veterans. SB 1357 is set to be heard by this committee on June 25, 2018.

Prior Legislation: AB 84 (Leslie), Chapter 454, Statutes of 2006, restricts specialized license plates to only be issued if sponsored by a state agency that received 7,500 commitments from individuals to purchase the plates.

REGISTERED SUPPORT / OPPOSITION:

Support

Surfing Heritage and Culture Center (Sponsor)

Opposition

None on File.

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