

The House Committee on Motor Vehicles offers the following substitute to HB 457:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 40-2-60.1 of the Official Code of Georgia Annotated, relating to the
2 administrative process for the issuance of special license plates, so as to provide for the
3 Department of Revenue to process all applications for special license plates requested after
4 July 1, 2007; to provide for minimum requirements; to provide for the commissioner of
5 revenue to promulgate rules and regulations; to provide for related matters; to provide an
6 effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 40-2-60.1 of the Official Code of Georgia Annotated, relating to the
10 administrative process for the issuance of special license plates, is amended by revising it in
11 its entirety to read as follows:

12 "40-2-60.1.

13 (a) The General Assembly finds that in recent years numerous laws were enacted
14 providing for the issuance of special license plates for certain persons and vehicles. The
15 General Assembly finds that there exists a need for a standardized administrative process
16 to provide for the authorization of issuance of such special license plates and that the public
17 interest will be best served by such a standardized administrative process. While
18 recognizing that the legislature may not abridge or delegate its powers, the General
19 Assembly declares that it is in the public interest of this state for future proposals for
20 special license plates to be governed by the administrative process established by this Code
21 section rather than by the legislative process.

22 (b)(1) The General Assembly determines that the issuance of special license plates to
23 support an agency, fund, or program beneficial to the people of this state that is
24 administered by a nonprofit corporation organized under Section 501(c)(3) of Title 26 of
25 the Internal Revenue Code and the dedication of a portion of the funds raised from the

1 issuance of these special license plates is in the best interests of the people of this state
2 and is authorized by Article III, Section IX, Paragraph VI(n) of the Constitution.

3 (2) The commissioner is authorized to adopt rules and regulations for the issuance of
4 special license plates for groups of individuals and vehicles. All special license plates
5 issued pursuant to this paragraph shall not be subject to the provisions of subsection (e)
6 of this Code section.

7 (c) As used in this Code section, the term:

8 (1) 'Manufacturing fee' means a \$25.00 fee paid at the time an application is submitted
9 or upon the issuance of a special license plate.

10 (2) 'Registration fee' means the fees as set forth in Code Section 40-2-151.

11 (3) 'Special license plate' means a metal license plate that is authorized under this Code
12 section that commemorates an event or supports an agency, fund, or program beneficial
13 to the people of this state or is specifically authorized by the General Assembly for
14 certain persons or vehicles.

15 (4) 'Special license plate fee' means a \$25.00 fee paid at the time a special license plate
16 is issued.

17 (5) 'Special license plate renewal fee' means a \$25.00 fee paid at the time a special
18 license plate is renewed and a revalidation decal is issued.

19 (d) The agency, fund, or nonprofit corporation sponsoring a special license plate, in
20 cooperation with the commissioner, shall design a special distinctive license plate
21 appropriate to promote the program benefited by the issuance of the special license plate.
22 Special license plates for groups of individuals and vehicles shall be readily recognizable
23 by the insertion of an appropriate logo or graphic identifying the special nature of the
24 license plate. All special license plates must be of the same size as general issue motor
25 vehicle license plates and shall include a unique design and identifying number, whereby
26 the total number of characters does not exceed six. No two recipients shall receive
27 identically numbered plates. The graphic on the special license plate shall be placed to the
28 left of the alphanumeric characters and shall be no larger than three inches by three inches.
29 Spaces for county name labels are required for license plates authorized under this Code
30 section unless expressly eliminated by the request of the agency, fund, or nonprofit
31 corporation sponsoring a special license plate at the time the license plate is designed.

32 (e) Before the department disburses to the agency, fund, or nonprofit corporation funds
33 from the issuance of special license plates, the agency, fund, or nonprofit corporation must
34 provide a written statement stating the manner in which such funds will be utilized. In
35 addition, a nonprofit corporation must provide the department with documentation of its
36 nonprofit status under Section 501(c)(3) of Title 26 of the Internal Revenue Code. The
37 agency, fund, or nonprofit corporation shall periodically provide to the commissioner an

1 audit of the use of the funds or other evidence of use of the funds satisfactory to the
2 commissioner. If it is determined that the funds are not being used for the purposes set
3 forth in the statement provided by the agency, fund, or nonprofit corporation, the
4 department shall withhold payment of such funds until such noncompliance issues are
5 resolved.

6 (f) Notwithstanding the other provisions of this Code section, no special license plate shall
7 be produced until such time as the State of Georgia has, through a licensing agreement or
8 otherwise, received such licenses or other permissions as may be required to produce the
9 special license plate. The department shall not utilize any graphic that is copyrighted
10 unless a sponsoring organization has secured for the state the authority to utilize the
11 copyrighted design at no cost to the state and the sponsoring organization has agreed to
12 hold the state harmless against any related claim of copyright violation or infringement.
13 The design of the initial edition of any special license plate, as well as the design of
14 subsequent editions and excepting only any part or parts of the designs owned by others
15 and licensed to the state, shall be owned solely by the State of Georgia for its exclusive use
16 and control, except as authorized by the commissioner. The commissioner may take such
17 steps as may be necessary to give notice of and protect such right, including the copyright
18 or copyrights. However, such steps shall be cumulative of the ownership and exclusive use
19 and control established by this subsection as a matter of law, and no person shall reproduce
20 or otherwise use such design or designs, except as authorized by the commissioner.

21 (g) Any Georgia resident who is the owner of a motor vehicle, except a commercial
22 vehicle as defined in 49 C.F.R. Section 390.5, upon complying with the motor vehicle laws
23 relating to registration and licensing of motor vehicles and payment of the appropriate fees
24 as set forth in this Code section in addition to the required motor vehicle registration fee,
25 shall be able to apply for a special license plate as provided in this Code section.

26 (h) After July 1, 2007, any party requesting a special license plate not previously
27 authorized by this chapter shall make application with the department. The application
28 shall include a design of the proposed license plate and a bond of \$50,000.00 to serve as
29 surety for moneys collected from applicants by the sponsor. The commissioner shall
30 review and approve or disapprove all applications within 30 days of receipt by the
31 department. Upon approval of the design by the commissioner, the special license plate
32 authorized pursuant to this subsection shall not be issued except upon the receipt by the
33 department of at least 1,000 applications together with the manufacturing fees within two
34 years after the date of approval by the commissioner. After such time if the minimum
35 number of applications is not met, the department shall not continue to accept the
36 manufacturing fee, and all fees held by the department and the sponsor shall be refunded
37 to applicants.

1 (i) Upon the receipt of 1,000 applications together with manufacturing fees, the
2 commissioner shall provide a letter of certification to the sponsor verifying that the sponsor
3 has satisfied the requirements of the provisions of this Code section. Upon receipt of the
4 letter of certification, the sponsor, if necessary, shall seek enactment of the appropriate
5 legislation required to authorize manufacture of the special license plate.

6 (j) The department shall not be required to continue to manufacture a special license plate
7 or accept renewals and applications if the number of active registrations falls below 500
8 registrations at any time during a calendar year. A current registrant may continue to
9 renew such special license plate during his or her annual registration period. The
10 department may continue to issue such special license plates that it has in its inventory to
11 assist in achieving the minimum number of registrations. If the number of active
12 registrations for the special license plate falls below 500 at any time during a calendar year,
13 the sponsoring agency, fund, or nonprofit corporation shall be required to obtain 1,000
14 applications accompanied by the manufacturing fee to continue to manufacture the special
15 license plate.

16 (k) Special license plates shall be transferred from one vehicle to another vehicle in
17 accordance with the provisions of Code Section 40-2-80.

18 (l) Special license plates shall be issued within 30 days of application once the
19 requirements of this Code section have been met.

20 (m) The commissioner is authorized and directed to establish procedures and promulgate
21 rules and regulations to effectuate the purposes of this Code section. The rules and
22 regulations to be promulgated by the commissioner may provide for exceptions whereby
23 a special license plate will not be issued if the issuance of the plate would adversely affect
24 public safety."

25 SECTION 2.

26 This Act shall become effective on July 1, 2007.

27 SECTION 3.

28 All laws and parts of laws in conflict with this Act are repealed.