

ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009
COMMITTEE STATEMENT
LB110

Hearing Date: Monday February 02, 2009
Committee On: Transportation and Telecommunications
Introducer: Fischer
One Liner: Change motor vehicle registration fees and fee distribution and provide for specialty license plates

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Campbell, Fischer, Gay, Hadley, Janssen, Lautenbaugh, Louden, Stuthman

Nay:

Absent:

Present Not Voting:

Proponents:

Senator Deb Fischer
Larry Dix
Curt Smith
Lynn Rex
Karl Fredrickson

Representing:

Introducer
Nebraska Association of County Officials
Nebraska Association of General Contractors
League of Nebraska Municipalities
American Council of Engineering Companies - Nebraska

Opponents:

James Griesen

Representing:

University of Nebraska

Neutral:

Beverly Neth

Representing:

Department of Motor Vehicles

Summary of purpose and/or changes:

LB 110 creates specialty license plates administered by the DMV, increases the fees on personalized message plates and Husker Spirit plates, and redirects fees from the current military plates to the Veteran Cemetery System Fund.

1.) Beginning January 1, 2010, a person can apply for a specialty license plate. The initial and renewal fee is \$100. Fifteen percent of the fee will go to the DMV Cash Fund and eighty-five percent will go to the Highway Trust Fund.

On January 1, 2011, the DMV shall begin issuing specialty license plates for a qualified organization. The department will work with the organization in designing the plates once 150 prepaid applications have been received. The department may revoke approval of an organization's plate if the total number of vehicles that obtain the plate is less than 150 within three years of approval.

The organization shall furnish the department with several items, including: a copy of its articles of incorporation, charter, bylaws, IRS ruling of nonprofit tax exempt status, certificate of existence, and 150 prepaid applications. In addition, a certified form is required that states that the organization is a nonprofit corporation, its primary activity serves the community, its name and purpose doesn't promote any specific product, its purpose does not promote a specific religion

or faith, it is authorized to use any name, logo or graphic design it proposes, no infringement or violation of any property right will result from the design, and it will hold the state harmless for any liability.

The department may promulgate rules and regulations to carry out this section.

2.) Personalized message plates are increased from \$30 to \$60. Fifty percent will go to the DMV Cash Fund and fifty percent will go to the Highway Trust Fund.

3.) The \$5 fee on all military plates (Pearl Harbor, Gold Star, P.O.W., Disabled Vets, and Purple Heart) is redirected to the Nebraska Veteran Cemetery System Operation Fund.

4.) Cornhusker Spirit plates are increased from \$70 to \$100. Thirty percent of the fee will go to the DMV Cash Fund and seventy percent will go to the Highway Trust Fund. A portion of the fee is currently going to the Spirit Plates Proceed Fund. The bill repeals the Proceed Fund.

5.) The bill has an operative date of January 1, 2010.

Explanation of amendments:

The committee amendment, AM 164, strikes the original sections and becomes the bill. The amendment makes several changes:

Section 3 amends the bill to decrease the fee for a specialty plate from \$100 to \$70. This puts the specialty plate fee in-line with the Husker Spirit plate fee.

Section 4 amends the bill to require five hundred prepaid applications before the DMV will manufacture a specialty plate. LB 110 originally required one hundred fifty prepaid applications.

The section also strikes the requirement from the original bill that a qualified organization may not promote a specific religion, faith, or anti-religious belief.

Section 5 amends the bill to increase the personalized message plate fee from \$30 to \$40, with the DMV Cash Fund receiving seventy-five percent of the revenue and the Highway Trust Fund getting twenty-five percent. The original bill increased the personalized message plate fee to \$60.

The amendment strikes Section 11 of the original bill that increased the fee for Cornhusker Spirit Plates. The amendment no longer increases the fee on the Husker Spirit Plate.

Section 11 amends Sec. 60-3,128 so that any money collected from the Husker Spirit plates after the first five million dollars shall be credited to the Highway Trust Fund. The intent is for the University of Nebraska to get the first \$5 million for its two endowment funds outlined in Sec. 60-3,129. After \$5 million is collected by the University, the additional revenue will flow to the Highway Trust Fund.

Deb Fischer, Chairperson