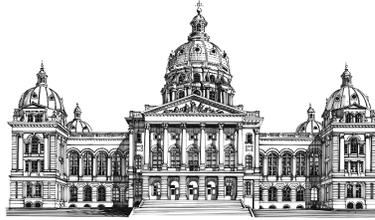


Iowa Legislative Services Agency Fiscal Services

Dennis Prouty
(515) 281-5279
FAX 281-8027



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Special License Plates

ISSUE

This *Issue Review* provides an overview of the types of special license plates issued in Iowa, and the establishment and distribution of fees collected from the sale of the plates.

AFFECTED AGENCIES

Department of Transportation (DOT)
County Treasurers



CODE AUTHORITY

Sections 321.34, 321.105, 321.109, 321.166, Code of Iowa
761 Iowa Administrative Code, Chapter 401

BACKGROUND

There are currently 27 types of special license plates available in Iowa, 11 associated with the U.S. Armed Forces. All motor vehicles and trailers are eligible for special plates. Collegiate plates are not available for motorcycles or small trailers.

With the exception of Congressional Medal of Honor, Collegiate, Fire Fighter, and Resources Enhancement and Protection (REAP) plates, special plates are to be consistent with the design and color of regular plates, but are to include a space on the plate for a processed emblem. Special plates with processed emblems are limited to five characters.

Personalized Special License Plates

Personalized license plates are available for all special plate types, except for Amateur Radio, Emergency Medical Services, Fire Fighter, Congressional Medal of Honor, Ex-Prisoner of War, and Legion of Merit.

ESTABLISHMENT OF SPECIAL LICENSE PLATES

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There are three options for creating special license plates:

1. A State agency may request and sponsor a new plate, or the State agency may sponsor the plate on behalf of any person or organization that requests the plate (State agency sponsored).
2. By request of any person or organization (non-State agency sponsored).
3. Legislative action.

Requests must be submitted to the DOT. If approved, the requestor has one year to submit 500 paid applications before the new plate can be manufactured or issued.

ESTABLISHMENT OF SPECIAL LICENSE PLATE FEES

The total fees collected from special license plates, including initial issuance and annual renewal fees, are deposited into the Road Use Tax Fund. The annual renewal fee, if any, is termed a “validation fee.” The fee is paid in addition to the annual vehicle registration fee (based on weight and value for automobiles, or a flat fee for trucks).

State Agency Sponsored Special Plates

Special plates in this category include Cattlemen, Organ and Tissue Donor Awareness, and Veteran’s. Section 321.34(13)(d), Code of Iowa, identifies the fees for special plates sponsored by a State agency, and the specific funds where the fees are deposited. Prior to crediting the fees to the Road Use Tax Fund, the State Treasurer credits the amount of special plate fees collected in the previous month to the special fund.

Non-State Agency Sponsored Special Plates

Special plates in this category include God Bless America and Shriner’s. Section 321.34(12), Code of Iowa, details the general fee provisions for these special plates. Fees are as follows:

	Initial Issuance Fee		Annual Validation Fee	
	Nonpersonalized	Personalized*	Nonpersonalized	Personalized
State Agency Sponsored	\$35.00	\$60.00	\$10.00	\$15.00
Non-State Agency Sponsored	\$25.00	\$50.00	\$10.00	\$5.00

* Personalized fees include the initial issuance fee and a \$25.00 personalized fee.

Legislative Action

When the Legislature creates a special license plate, a portion of the fees collected may be designated to a special fund in the same way fees are designated when a special plate is sponsored by a State agency. Special plates in this category are mentioned below by type. The plate fees are provided in **Attachment A**.

- **State Agency Sponsored** – Breast Cancer Awareness, Collegiate, Educational, Emergency Medical Services (all fees are credited to the Road Use Tax Fund), Fire Fighter, Heritage, Love Our Kids, Motorcycle Rider Education, and REAP.
- **Non-State Agency Sponsored** – Amateur Radio, Personalized, Persons with Disabilities, Bronze Star, Congressional Medal of Honor, Disabled Veteran, Ex-Prisoner of War, Legion of Merit, National Guard, Pearl Harbor, Purple Heart, Silver Star, and U.S. Armed Forces Retired.

REVENUES GENERATED FROM SPECIAL PLATES

Attachment B shows the total revenues credited to special funds over the past five years, based on the State Treasurer's monthly Road Use Tax Fund report. In FY 2004, approximately \$774,000 was credited to special funds, which includes initial issuances and annual validation fees. Revenues deposited into the Road Use Tax Fund are unknown, since the revenues are not separated out from other registration fees and titles.

FEE EXCEPTIONS

Specific groups with special plates that have been created through legislative action are exempt from paying certain fees pursuant to the legislation, or are subject to reduced fees in lieu of the annual validation fee. These groups include:

- Persons issued Congressional Medal of Honor, Ex-Prisoner of War, and Legion of Merit are exempt from paying an initial issuance fee for the special plate, but are subject to a \$15.00 annual vehicle registration fee. (If a surviving spouse chooses to retain a Congressional Medal of Honor, Ex-Prisoner of War, or Legion of Merit special plate, the spouse may keep the plate by registering the plate in the surviving spouse's name, and paying the \$15.00 annual vehicle registration fee.)
- Persons may exchange a Congressional Medal of Honor, Ex-Prisoner of War, Disabled Veteran, or Legion of Merit special plate for any U.S. Armed Forces special plate at no charge, but are required to pay the \$15.00 annual vehicle registration fee. Disabled veterans are exempt from this fee.
- Persons eligible for a Disabled Veteran license plate may obtain a special or personalized plate by paying the additional special or personalized plate fee.

COST TO CREATE SPECIAL LICENSE PLATES

Costs associated with creating special license plates include materials for manufacturing, computer programming, and administrative costs. In FY 2004, the estimated cost to manufacture a special plate was \$3.70 per plate, which included all materials. The cost to manufacture special plates is subject to change based on the cost of materials. The FY 2004 programming costs were estimated at \$57.40 per hour per plate design. The number of programming hours is typically 50 hours per plate design. The total programming hours may change due to implementation of the Department's new vehicle registration system in January 2005. Administrative costs are 10.0% of the total plate cost. The total costs associated with the creation of special license plates are paid from the Motor Vehicle Division's budget, which includes Road Use Tax Fund and Primary Road Fund moneys.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

SPECIAL PLATE FEES

Special Plate Type	Sponsoring Agency	Establishment of Special Plate	No. Issued as of Feb. 2004*	Plate Type	Initial Issuance Fee \$	Where Initial Issuance Fees Are Deposited	Annual Validation Fee** \$	Where Validation Fees Are Deposited	Notes	
1. Amateur Radio		Legislative Action	1,056		5.00	Road Use Tax Fund	5.00	Road Use Tax Fund	The number of Collegiate plates could not be distinguished by type.	
2. Breast Cancer Awareness	Dept. of Public Health	Legislative Action	323 64	Nonpersonalized Personalized	35.00 35.00	Breast Cancer Aware. Fund Breast Cancer Aware. Fund	10.00 10.00	Breast Cancer Aware. Fund Breast Cancer Aware. Fund		
3. Cattlemen	Dept. of Agriculture	Requested by State Agency (State Agency Sponsored)	2,407 240	Nonpersonalized Personalized	35.00 35.00	Cattlemen's Fund Cattlemen's Fund	10.00 10.00	Cattlemen's Fund Cattlemen's Fund		
4. Collegiate	UNI, U of I, ISU	Legislative Action	14,508	Nonpersonalized Personalized	25.00 25.00	College of Choice Road Use Tax Fund College of Choice Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
5. Educational	Dept. of Education	Legislative Action	1,486 123	Nonpersonalized Personalized	35.00 35.00	Education Fund Education Fund	10.00 10.00	Education Fund Education Fund		
6. Emergency Medical Serv.	Dept. of Public Health	Legislative Action	635		25.00	Road Use Tax Fund	0.00			
7. Firefighter	Dept. Public Safety	Legislative Action	8,638		25.00	Paul Ryan Memorial Fund	0.00			
8. God Bless America		Requested by Person or Org. (Non-State Agency Sponsored)	4,293 326	Non-Personalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
9. Heritage	Dept. of Cultural Affairs	Legislative Action	299 14	Nonpersonalized Personalized	35.00 35.00	Heritage Fund Heritage Fund	10.00 10.00	Heritage Fund Heritage Fund		
10. Love Our Kids	Dept. of Public Health	Legislative Action	1,322 139	Nonpersonalized Personalized	35.00 35.00	Love Our Kids Fund Love Our Kids Fund	10.00 10.00	Love Our Kids Fund Love Our Kids Fund		
11. Motorcycle Rider Ed.	Dept. of Transportation	Legislative Action	215 44	Nonpersonalized Personalized	35.00 35.00	Motorcycle Rider Ed. Fund Motorcycle Rider Ed. Fund	10.00 10.00	Motorcycle Rider Ed. Fund Motorcycle Rider Ed. Fund		
12. Organ and Tissue Donor Awareness	Dept. of Public Health	Requested by State Agency (State Agency Sponsored)	370 81	Nonpersonalized Personalized	35.00 35.00	Organ Donor Aware. Fund Organ Donor Aware. Fund	10.00 10.00	Organ Donor Aware. Fund Organ Donor Aware. Fund		
13. Personalized		Legislative Action	188,670	Motorcycle/Small Trailer Other Vehicles	25.00 25.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		The number of Personalized special plates could not be distinguished by type. The total number shown is from calendar year 2001, which is the most current number available.
14. Persons with Disabilities		Legislative Action	17,880 143	Nonpersonalized Personalized	0.00 25.00		0.00 5.00			
15. Resources Enhanc. and Protection (REAP)	Dept. of Natural Resources	Legislative Action	45,277 1,676	Nonpersonalized Personalized	45.00 45.00	REAP Fund REAP Fund	25.00 25.00	REAP Fund REAP Fund		On July 1, 2004, REAP plate fees increased by \$10.00 for initial issuance and \$15.00 for annual validation.
16. Shriner's		Requested by Person or Org. (Non-State Agency Sponsored)	339 159	Non-Personalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
U.S. ARMED FORCES										
17. Bronze Star		Legislative Action	354 78	Nonpersonalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
18. Cong. Medal of Honor		Legislative Action	0		0.00		0.00	Road Use Tax Fund		
19. Disabled Veteran		Legislative Action	286 5	Nonpersonalized Personalized	0.00 NA		0.00 NA			A Disabled Veteran special or personalized plate may be obtained by paying the additional special or personalized plate fee.
20. Ex-Prisoner of War		Legislative Action	471		0.00		0.00	Road Use Tax Fund		
21. Legion of Merit		Legislative Action	71		0.00		0.00	Road Use Tax Fund		
22. National Guard		Legislative Action	281 62	Nonpersonalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
23. Pearl Harbor Veterans		Legislative Action	80 18	Nonpersonalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
24. Purple Heart		Legislative Action	1,455 322	Nonpersonalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
25. Silver Star		Legislative Action	52 12	Nonpersonalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
26. United States Armed Forces Retired		Legislative Action	672 148	Nonpersonalized Personalized	25.00 50.00	Road Use Tax Fund Road Use Tax Fund	5.00 5.00	Road Use Tax Fund Road Use Tax Fund		
27. Veteran's	Veteran's Affairs	Requested by State Agency (State Agency Sponsored)	2,142 495	Nonpersonalized Personalized	35.00 35.00	Vet's License Fee Fund Vet's License Fee Fund	10.00 10.00	Vet's License Fee Fund Vet's License Fee Fund	With the exception of Veteran's and Disabled Veteran's plates, the no. of U.S. Armed Forces special plates cannot be distinguished by personalized vs. nonpersonalized. An estimate for each type was calculated based on the total no. of personalized plates currently issued (approx. 640).	

Note: Actual revenues credited to special funds are shown in **Attachment B**. Since special plate fees are subject to change as current plates are returned and new plates are issued, the total revenues generated from special plate fees are unknown.

* The number of special plates issued as of February 2004 is the most current information available.

** The annual validation fee is the special plate renewal fee, and is paid in addition to the annual vehicle registration fee (based on weight and value for automobiles, or a flat fee for trucks).

Source: Department of Transportation

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**Revenue Generated from Special License Plates and
Credited to Special Funds**

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
Cattlemen	\$ 21,235	\$ 25,635	\$ 31,705	\$ 38,895	\$ 44,920
Education	22,265	19,885	21,290	19,855	20,130
Heritage	4,335	3,783	3,900	3,715	3,555
Love Our Kids	21,960	23,155	22,432	21,960	21,290
Motorcycle Rider Education	2,285	6,990	10,130	3,990	4,135
Res. Enhancement & Prot. (REAP)	606,578	602,573	549,517	479,678	529,982
Veteran's Affairs	27,315	26,965	37,693	36,845	34,950
Iowa State University (ISU)	20,350	21,800	27,025	26,400	24,750
University of Iowa (U of I)	15,725	17,675	23,925	27,375	38,910
University of Northern Iowa (UNI)	2,475	2,700	2,350	2,375	2,925
Breast Cancer Awareness	NA	NA	NA	NA	17,290
Firefighter	NA	NA	NA	NA	25,907
Organ & Tissue Donor Awareness	NA	NA	NA	NA	5,290
Total	<u>\$ 744,523</u>	<u>\$ 751,161</u>	<u>\$ 729,967</u>	<u>\$ 661,088</u>	<u>\$ 774,034</u>

Source: State Treasurer's Monthly Road Use Tax Fund Reports