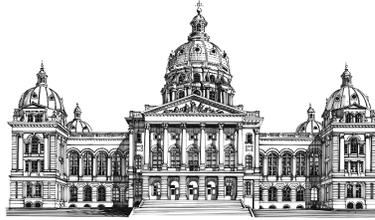


Iowa Legislative Services Agency Fiscal Services

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



State Capitol
Des Moines, IA 50319
February 2, 2007

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 312.2(6), 321.34, 321.105, 321.109, 321.166, Code of Iowa
761 Iowa Administrative Code, Chapter 401

BACKGROUND

There are currently 25 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.

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ESTABLISHMENT OF SPECIAL LICENSE PLATES

As of November 2006, there were an estimated 100,300 special plates issued in Iowa. Special license plates are either created in legislation or through procedures set out in 761 Iowa Administrative Code, Chapter 401. For plates established through the procedures set out in the Administrative Code, requests, which can be proposed by any State agency, person, or group, 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.

Special plates that have been created in legislation are mentioned below. The fees and State agencies that sponsor the plates are provided in **Attachment A**.

<u><i>State Agency Sponsored</i></u>	<u><i>Non-State Agency Sponsored</i></u>
Breast Cancer Awareness	Amateur Radio
Collegiate	Bronze Star
Educational	Congressional Medal of Honor
Emergency Medical Services (EMS)	Disabled Veteran
Fire Fighter	Ex-Prisoner of War
Heritage	Legion of Merit
Love Our Kids	National Guard
Motorcycle Rider Education	Pearl Harbor
Resources Enhancement & Protection (REAP)	Purple Heart
Veterans	Silver Star
	U.S. Armed Forces Retired

Special plates that have been created through procedures set forth in the Iowa Administrative Code are mentioned below. The plate fees and the State agencies that sponsor the plates are provided in **Attachment A**.

<u><i>State Agency Sponsored</i></u>	<u><i>Non-State Agency Sponsored</i></u>
Cattlemen's	God Bless America
Organ and Tissue Donor Awareness	Shriners

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

Almost half of special license plates are sponsored by a State agency. For these plates, a special plate fee or "alternative fee" is collected and designated to a special fund. Prior to crediting the

alternative fee to the Road Use Tax Fund, the State Treasurer credits the amount of fee collected in the previous month to the special fund. Section 321.34(13)(d), Code of Iowa, details the general fee provisions for these plates.

An example of a State agency-sponsored special plate is the Veterans plate. The plate is sponsored by the Department of Veterans Affairs. An alternative fee is collected from each plate and credited to the Veterans License Fee Fund. Funds are then appropriated to the Veterans Affairs Commission to be used to fulfill the responsibilities of the Commission.

The exception to the above rule is the Emergency Medical Services (EMS) special plate. This plate is sponsored by the Department of Public Health; however, no alternative fee is collected, and all fees are deposited into the Road Use Tax Fund.

Non-State Agency Sponsored Special Plates

All fees collected from non-State agency sponsored plates are deposited into the Road Use Tax Fund. Section 321.34(12), Code of Iowa, details the general fee provisions for these plates.

An example of a non-State agency sponsored special plate is the Bronze Star plate. The total fees collected from each plate are deposited into the Road Use Tax Fund.

Personalized Special Plates Fees

In addition to the special plate fees, the fee for the initial issuance of a personalized special plate is \$25.00, and the validation fee is \$5.00. All fees are deposited into the Road Use Tax Fund. Section 321.34(5), Code of Iowa, details the general fee provisions for personalized special plates.

SPECIAL PLATES REVENUES

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 2006, approximately \$1.5 million 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 in legislation are exempt from paying certain fees by law, or are subject to reduced fees in lieu of the annual validation fee. These groups and exceptions include:

- Persons issued Congressional Medal of Honor, Ex-Prisoner of War, and Legion of Merit are exempt from paying an initial issuance fee or an annual validation 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, Legion of Merit, or Disabled Veteran 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 manufacturing, computer programming, and administrative costs. The estimated cost for manufacturing a special plate is \$4.00 per plate, which includes supplies, materials, and prison labor. Of the estimated \$4.0 million paid from the off-the-top Road Use Tax Fund allocation for manufacturing license plates, an estimated \$112,000 was expended for the manufacture of special plates in FY 2006.

Programming and administrative costs of the DOT are paid from the Department's Motor Vehicle Division's base budget, which includes Primary Road Fund and Road Use Tax Fund monies. The number of programming hours is typically 80 per design, and the estimated programming costs are \$87.42 per hour per plate design.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

Special License Plates

<http://www.legis.state.ia.us/lsadocs/IssReview/2007/IRMBM000.PDF>

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SPECIAL LICENSE PLATES										
Special Plate Type	Sponsoring Agency	Plate Type	Est. No. of Plates Issued as of Nov. 2006	Initial Issuance Fee			Annual Validation Fee ¹			Special Fund Name
				Total Fee	Deposited Into		Total Fee	Deposited Into		
					RUTF	Special Fund		RUTF	Special Fund	
Established in Legislation										
Amateur Radio			1,850	\$ 5	\$ 5	\$ 0	\$ 5	\$ 5	\$ 0	
Breast Cancer Awareness	Department of Public Health	Nonpersonalized	847	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Breast Cancer Awareness Fund
		Personalized	145	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	
Bronze Star		Nonpersonalized	413	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	226	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
Collegiate	ISU, U of I, UNI	Nonpersonalized	3,807	\$ 50	\$ 25	\$ 25	\$ 5	\$ 5	\$ 0	College of Choice
		Personalized	16,638	\$ 50	\$ 25	\$ 25	\$ 5	\$ 5	\$ 0	
Congressional Medal of Honor <i>(Includes Army and Navy. A \$15.00 annual vehicle registration fee is required.)</i>			0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Disabled Veteran ²		Nonpersonalized	265	NA	NA	NA	NA	NA	NA	
		Personalized	1	NA	NA	NA	NA	NA	NA	
Educational	Department of Education	Nonpersonalized	1,632	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Education Fund
		Personalized	145	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	
Emergency Medical Services (EMS)	Department of Public Health		906	\$ 25	\$ 25	\$ 0	\$ 0	\$ 0	\$ 0	
Ex-Prisoner of War <i>(A \$15.00 annual vehicle registration fee is required.)</i>			420	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Firefighter	Department of Public Safety		10,266	\$ 25	\$ 0	\$ 25	\$ 0	\$ 0	\$ 0	Paul Ryan Memorial Firefighter Safety Training Fund
Heritage	Department of Cultural Affairs	Nonpersonalized	271	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Heritage Fund
		Personalized	16	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	

SPECIAL LICENSE PLATES										
Special Plate Type	Sponsoring Agency	Plate Type	Est. No. of Plates Issued as of Nov. 2006	Initial Issuance Fee			Annual Validation Fee ¹			Special Fund Name
				Total Fee	Deposited Into		Total Fee	Deposited Into		
					RUTF	Special Fund		RUTF	Special Fund	
Established in Legislation										
Legion of Merit <i>(A \$15.00 annual vehicle registration fee is required.)</i>			190	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Love Our Kids	Department of Public Health	Nonpersonalized	1,410	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Love Our Kids Fund
		Personalized	160	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	
Motorcycle Rider Education	Department of Transportation	Nonpersonalized	273	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Motorcycle Rider Education Fund
		Personalized	45	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	
National Guard		Nonpersonalized	281	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	56	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
Pearl Harbor Veterans		Nonpersonalized	63	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	3	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
Purple Heart		Nonpersonalized	1,417	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	169	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
Resources Enhancement and Protection (REAP) <i>(Includes Bird, Eagle, and Pheasant designs.)</i>	Department of Natural Resources	Nonpersonalized	41,436	\$ 45	\$ 0	\$ 45	\$ 25	\$ 0	\$ 25	REAP Fund
		Personalized	1,810	\$ 90	\$ 45	\$ 45	\$ 30	\$ 5	\$ 25	
Silver Star		Nonpersonalized	59	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	20	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
U.S. Armed Forces Retired <i>(Includes Army, Navy, Air Force, Marine, and Coast Guard)</i>		Nonpersonalized	796	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	496	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
Veterans	Department of Veterans Affairs	Nonpersonalized	2,623	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Veterans License Fee Fund
		Personalized	822	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	

SPECIAL LICENSE PLATES										
Special Plate Type	Sponsoring Agency	Plate Type	Est. No. of Plates Issued as of Nov. 2006	Initial Issuance Fee			Annual Validation Fee ¹			Special Fund Name
				Total Fee	Deposited Into		Total Fee	Deposited Into		
					RUTF	Special Fund		RUTF	Special Fund	
Established Through Iowa Administrative Code (IAC)										
Cattlemen's	Department of Agriculture and Land Stewardship	Nonpersonalized	3,482	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Cattlemen's Fund
		Personalized	290	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	
God Bless America		Nonpersonalized	5,062	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	398	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
Organ and Tissue Donor Awareness	Department of Public Health	Nonpersonalized	479	\$ 35	\$ 0	\$ 35	\$ 10	\$ 0	\$ 10	Organ Donor Awareness Fund
		Personalized	120	\$ 60	\$ 25	\$ 35	\$ 15	\$ 5	\$ 10	
Shriners		Nonpersonalized	438	\$ 25	\$ 25	\$ 0	\$ 5	\$ 5	\$ 0	
		Personalized	53	\$ 50	\$ 50	\$ 0	\$ 5	\$ 5	\$ 0	
Est. Total No. of Special Plates Issued as of Nov. 2006			100,299							

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.

¹ The annual validation fee is the special plate renewal fee. Unless specified otherwise by the Code of Iowa or the Iowa Administrative Code, the renewal fee is paid in addition to the annual vehicle registration fee (based on weight and value for automobiles, or a flat fee for trucks).

² A Disabled Veteran special or personalized plate may be obtained by paying the difference between the regular plate fee and the special or personalized plate fee.

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

Special Plate Type	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Breast Cancer Awareness			\$ 17,290	\$ 15,320	\$ 15,520
Cattlemen	31,705	38,895	44,920	38,615	48,857
Education	21,290	19,855	20,130	20,895	20,465
Firefighter			25,907	26,725	30,438
Heritage	3,900	3,715	3,555	3,315	3,146
Iowa State University (ISU)	27,025	26,400	24,750	26,948	31,687
Love Our Kids	22,432	21,960	21,290	19,328	19,778
Motorcycle Rider Education	10,130	3,990	4,135	4,380	4,825
Organ & Tissue Donor Awareness			5,290	19,116	53,440
Res. Enhancement & Prot. (REAP)*	549,517	479,678	529,982	535,911	1,130,332
University of Iowa (U of I)	23,925	27,375	38,910	66,364	50,444
University of Northern Iowa (UNI)	2,350	2,375	2,925	3,369	3,313
Veteran's Affairs	37,693	36,845	34,950	39,560	41,330
Total	\$ 729,967	\$ 661,088	\$ 774,034	\$ 819,846	\$ 1,453,575

* The increase in revenue for REAP plates in FY 2006 is the result of an increase in plate fees beginning on January 1, 2005. The fees increased by \$10.00 for each initial issuance and \$15.00 for each renewal.

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