

Colorado Legislative Council Staff

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MEMORANDUM

June 18, 2007

TO: Members of the Transportation Legislation Review Committee

FROM: Geoffrey Johnson, Research Associate, 303-866-4788

SUBJECT: Process for Creation of Colorado Special Group License Plates,

and Special License Plates Created at the 2007 Legislative Session

This memorandum summarizes the process by which special group license plates are created in Colorado, and reviews special license plate legislation enacted at the 2007 legislative session.

Creation of Group License Plates

Colorado Department of Revenue (DOR) rules, and Colorado law, set forth a process by which special group license plates may be created and retired.¹ These license plates are issued to nonprofit organizations based on common interests or affinities.

Application for special plates. Nonprofit organizations seeking the creation of special license plates must apply to the DOR. Applications must be accompanied by the names, addresses and county of residence of at least 3,000 individuals requesting the new special license plate. Organizations are required to submit proof of their tax-exempt status to the DOR.

Plate approval and legislation. If an application for a new plate is approved by the DOR, the nonprofit group sponsoring the plate must find a bill sponsor for legislation creating the new plate. If the legislation is not passed within two years, the departmental approval expires, and the application process must be repeated. Nonprofit groups may request the establishment of conditions of eligibility for persons interested in purchasing their organization's special plate. For example, requiring membership in the nonprofit organization, or specified contribution levels to the organization.

Plate design. Organizations sponsoring a special plate are required to pay special license plate design costs. The DOR retains final authority for the approval of logo designs. Special plates may not use corporate logos.

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¹ CCR 204-14 and Section 42-3-207, C.R.S.

Discontinuance of special plates. Sponsoring groups must maintain at least 3,000 active registrants for their plate, or the plate will be discontinued by the DOR. If a sponsoring group loses its nonprofit status, the department may retire the group's special plate by discontinuing its production and issuance. If a license plate is discontinued by DOR, the sponsoring organization may apply to the department for reinstatement of the plate after five years have elapsed. The department is authorized to audit monies collected from sales of the plate.

House Bill 07-1378. Until recently, Colorado law required that alumni special license plates, the agricultural and natural resources special license plate, and any special license plate established by department rule meet the threshold of 3,000 plates in circulation prior to July 1, 2007, or the plates would be discontinued by the department. House Bill 07-1378 extended the deadline for sponsors of these special plates to meet the 3,000 threshold from July 1, 2007, to March 1, 2008. Special plates that are subject to the deadline include the following: Air Force Academy, Colorado Agriculture, Colorado College, Colorado School of Mines, Denver Firefighters, Denver University, Knights of Columbus, Masonic Family, Mesa State College, Metro State College, Protective Order of the Elks, Raptor Educational Foundation, Regis University, University of Northern Colorado, U.S. Naval Reserve, U.S. Olympic Committee, and Western State College.

Senate Bill 07-241. SB 07-241 raised the fee for the issuance of special group license plates from \$25 to \$50. The bill also increased fees for new driver's licenses, minor driver's licenses, minor instruction permits, commercial driver's licenses (CDL), CDL instruction permits, state identification cards, instruction permits, and replacement licenses. Most of the revenue from the fee increases is allocated to the newly created Licensing Services Cash Fund which will be used by DOR for operational expenses of driver's license offices; a portion of the revenue is retained by county clerks.

Special License Plate Bills Enacted at the 2007 Legislative Session. Table 1 provides a brief description of six bills enacted at the 2007 session addressing special plates which have been signed into law. The bills created special license plates for the United States Special Forces, the United States Coast Guard, the United States Air Force, as well as the Italian-American special license plate. The bills also expanded eligibility for the Fallen Service Member special license plate and the Korean War Veteran special license plate.

Table 1
2007 Session Special License Plate Bills

Bill No / Short Title / Sponsor(s) / Status	Bill Summary
HB 07-1105	HB 07-1105 modifies the eligibility dates of service permitting a person to be issued a Korean War special license plate. Previously, Korean War veterans were eligible to receive a special license plate if they served between June 25, 1950, and July 27, 1953. This bill extends these dates by approximately 17 months so that veterans who served in Korea between June 27, 1950, and January 31, 1955, will now be eligible to receive this license plate.
Korean War Veteran Special License Plate	
Representative Roberts Senator Penry	
Signed into law	
HB 07-1120	HB 07-1120 requires the DOR to issue (beginning January 1, 2008) an Italian-American heritage special license plate. The Italian-American Heritage special license plate will be retired if at least 3,000 plates are not issued by July 1, 2008.
Italian-American Special License Plate	
Representative Frangas Senator Tochtrop	
Signed into law	
HB 07-1200	HB 07-1200 creates the United State Air Force special license plate. The plate will be available to individuals who are currently serving in the Air Force, who are retired, or who have been honorably discharged from the U.S. Air Force Reserve beginning July 1, 2008. The license plate will indicate that the vehicle owner is a veteran, a reserve member, or an active member of the United States Air Force.
Air Force Special License Plate	
Representative Liston Senator Tochtrop	
Signed into law	
HB 07-1352	HB 07-1352 expands the list of family members of fallen U.S. military personnel who are eligible to apply for a fallen service member special license plate to include siblings and grandparents of fallen soldiers. Individuals who qualify for this license plate are exempted from the payment of additional special plate fees. The bill also creates a new U.S. Special Forces special license plate. Finally, the bill repeals a requirement that the owner of a disabled veteran special license plate send a disabled application to the DOR when transferring the plate to another vehicle.
Fallen Service Member Special License Plate/Special Forces Special License Plate	
Representative Rice Senator Ward	
Signed into law	

Table 1
2007 Session Special License Plate Bills (continued)

Bill No / Short Title / Sponsor(s) / Status	Bill Summary
SB 07-027	SB 07-027 creates the United States Coast Guard special license plate. Persons who have been honorably discharged
Coast Guard Special License Plate	from the U.S. Coast Guard, or who are currently an active, auxiliary or reserve member of the U.S. Coast Guard may purchase the plate. The license plate will be available beginning January 1, 2008.
Senator Tupa Representative Witwer	
Signed into law	
SB 07-067	SB 07-067 requires the DOR to issue a Share the Road special license plate beginning January 1, 2008. Prior to issuance
Share the Road Bicycle Special License Plate	of the plate the organization, Bicycle Colorado, must compile and provide to the department a list of names and addresses of persons requesting the plate. The Share the Road special license plate must be retired if 3,000 plates are not issued by July 1, 2009. Applicants for the plate must obtain a certificate issued by Bicycle Colorado, Inc. confirming that they
Senator Brophy	meet the qualifications for the license plate, and make a donation to the Share the Road Education Fund. The bill allows
Representative T. Carroll	the moneys collected by Bicycle Colorado to be used to fund programs, activities, and events that educate bicyclists, motorists, law enforcement, and transportation officials on the rights and responsibilities of bicycling.
Signed into law	