

**UTAH HOUSING OPPORTUNITY SPECIAL
GROUP LICENSE PLATE**

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gage Froerer

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies the Motor Vehicles Code and Securities Division - Real Estate Division Code by creating a new special group license plate.

Highlighted Provisions:

This bill:

- ▶ authorizes the Utah Housing Opportunity special group license plate to support organizations that create affordable housing for those in severe need;
- ▶ requires applicants for the plate to contribute \$30 annually to the Utah Housing Opportunity Restricted Account;
- ▶ creates the Utah Housing Opportunity Restricted Account; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on October 1, 2007.

Utah Code Sections Affected:

AMENDS:

41-1a-418, as last amended by Chapter 63, Laws of Utah 2005

41-1a-422, as last amended by Chapter 69, Laws of Utah 2004



ENACTS:

61-2-28, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-1a-418** is amended to read:

41-1a-418. Authorized special group license plates.

(1) The division shall only issue special group license plates in accordance with Sections 41-1a-418 through 41-1a-422 to a person who is specified under this section within the categories listed as follows:

- (a) disability special group license plates issued in accordance with Section 41-1a-420;
- (b) honor special group license plates, as in a war hero, which plates are issued for a:
 - (i) survivor of the Japanese attack on Pearl Harbor;
 - (ii) former prisoner of war;
 - (iii) recipient of a Purple Heart; or
 - (iv) disabled veteran;
- (c) unique vehicle type special group license plates, as for historical, collectors value, or other unique vehicle type, which plates are issued for a:
 - (i) special interest vehicle;
 - (ii) vintage vehicle;
 - (iii) farm truck; or
 - (iv) vehicle powered by clean fuel and for which a current clean special fuel certificate is maintained as provided in Section 59-13-304;
- (d) recognition special group license plates, as in a public official or an emergency service giver, which plates are issued for a:
 - (i) current member of the Legislature;
 - (ii) current member of the United States Congress;
 - (iii) current member of the National Guard;
 - (iv) licensed amateur radio operator;
 - (v) currently employed, volunteer, or retired firefighter;
 - (vi) emergency medical technician;
 - (vii) current member of a search and rescue team; or

(viii) current honorary consulate designated by the United States Department of State;
and

(e) support special group license plates, as for a contributor to an institution or cause,
which plates are issued for a contributor to:

- (i) an institution's scholastic scholarship fund;
- (ii) the Division of Wildlife Resources;
- (iii) the Office of Veterans' Affairs;
- (iv) the Division of Parks and Recreation;
- (v) the Department of Agriculture and Food;
- (vi) the Guardian Ad Litem Services Account and the Children's Museum of Utah;
- (vii) the Boy Scouts of America;
- (viii) spay and neuter programs through No More Homeless Pets in Utah;
- (ix) the Boys and Girls Clubs of America; ~~or~~
- (x) Utah public education~~[-]; or~~
- (xi) programs that provide support to organizations that create affordable housing for those in severe need through the Division of Real Estate.

(2) Beginning January 1, 2003, the division may not issue a new type of special group license plate unless the division receives:

(a) a start-up fee established under Section 63-38-3.2 for production and administrative costs for providing the new special group license plates; or

(b) a legislative appropriation for the start-up fee provided under Subsection (2)(a).

(3) (a) A sponsoring organization that qualifies for tax-exempt status under Internal Revenue Code Section 501(c)(3) may request the commission to authorize a new type of special group license plate for the sponsoring organization. The sponsoring organization shall:

(i) collect a minimum of 200 applications; and

(ii) pay a start-up fee established under Section 63-38-3.2 for production and administrative costs for providing the new type of special group license plates.

(b) If the provisions of Subsection (3)(a) are met, the commission shall approve the request and the division shall:

(i) design a license plate in accordance with Section 41-1a-419; and

(ii) issue the new type of special group license plates.

Section 2. Section **41-1a-422** is amended to read:

41-1a-422. Support special group license plates -- Contributor -- Voluntary contribution collection procedures.

(1) As used in this section:

(a) (i) Except as provided in Subsection (1)(a)(ii), "contributor" means a person who has donated or in whose name at least \$25 has been donated to:

(A) a scholastic scholarship fund of a single named institution;

(B) the Division of Veterans' Affairs in the Utah National Guard for veterans' programs;

(C) the Division of Wildlife Resources for the Wildlife Resources Account created in Section 23-14-13, for conservation of wildlife and the enhancement, preservation, protection, access, and management of wildlife habitat;

(D) the Department of Agriculture and Food for the benefit of soil conservation districts;

(E) the Division of Parks and Recreation for the benefit of snowmobile programs;

(F) the Guardian Ad Litem Services Account and the Children's Museum of Utah, with the donation evenly divided between the two;

(G) the Boy Scouts of America for the benefit of a Utah Boy Scouts of America council as specified by the contributor;

(H) No More Homeless Pets in Utah for distribution to organizations or individuals that provide spay and neuter programs that subsidize the sterilization of domestic animals;

(I) the Utah Alliance of Boys and Girls Clubs, Inc. to provide and enhance youth development programs; ~~or~~

(J) the Utah Association of Public School Foundations to support public education~~[-]~~;
or

(K) the Utah Housing Opportunity Restricted Account created in Section 61-2-28 to assist people who have severe housing needs.

(ii) (A) For a veterans' special group license plate, "contributor" means a person who has donated or in whose name at least a \$25 donation at the time of application and \$10 annual donation thereafter has been made.

(B) For a Utah Housing Opportunity special group license plate, "contributor" means a

121 person who has donated or in whose name at least \$30 has been donated at the time of
122 application and annually thereafter.

123 (b) "Institution" means a state institution of higher education as defined under Section
124 53B-3-102 or a private institution of higher education in the state accredited by a regional or
125 national accrediting agency recognized by the United States Department of Education.

126 (2) (a) An applicant for original or renewal collegiate special group license plates under
127 Subsection (1)(a)(i) must be a contributor to the institution named in the application and
128 present the original contribution verification form under Subsection (2)(b) or make a
129 contribution to the division at the time of application under Subsection (3).

130 (b) An institution with a support special group license plate shall issue to a contributor
131 a verification form designed by the commission containing:

132 (i) the name of the contributor;

133 (ii) the institution to which a donation was made;

134 (iii) the date of the donation; and

135 (iv) an attestation that the donation was for a scholastic scholarship.

136 (c) The state auditor may audit each institution to verify that the moneys collected by
137 the institutions from contributors are used for scholastic scholarships.

138 (d) After an applicant has been issued collegiate license plates or renewal decals, the
139 commission shall charge the institution whose plate was issued, a fee determined in accordance
140 with Section 63-38-3.2 for management and administrative expenses incurred in issuing and
141 renewing the collegiate license plates.

142 (e) If the contribution is made at the time of application, the contribution shall be
143 collected, treated, and deposited as provided under Subsection (3).

144 (3) (a) An applicant for original or renewal support special group license plates under
145 this section must be a contributor to the sponsoring organization associated with the license
146 plate.

147 (b) This contribution shall be:

148 (i) unless collected by the named institution under Subsection (2), collected by the
149 division;

150 (ii) considered a voluntary contribution for the funding of the activities specified under
151 this section and not a motor vehicle registration fee; and

(iii) deposited into the appropriate account less actual administrative costs associated with issuing the license plates.

(c) The donation described in Subsection (1)(a) must be made in the 12 months prior to registration or renewal of registration.

(d) The donation described in Subsection (1)(a) shall be a one-time donation made to the division when issuing original:

(i) snowmobile license plates; or

(ii) soil conservation license plates.

(4) Veterans' license plates shall display one of the symbols representing the Army, Navy, Air Force, Marines, Coast Guard, or American Legion.

Section 3. Section **61-2-28** is enacted to read:

61-2-28. Utah Housing Opportunity Restricted Account -- Creation -- Funding -- Distribution of funds by the Division of Real Estate.

(1) There is created in the General Fund a restricted account known as the Utah Housing Opportunity Restricted Account.

(2) The account shall be funded by:

(a) contributions deposited into the Utah Housing Opportunity Restricted Account in accordance with Section 41-1a-422;

(b) private contributions;

(c) donations or grants from public or private entities; and

(d) interest and earnings on fund monies.

(3) Funds in the account are nonlapsing.

(4) The Legislature shall appropriate money in the account to the Division of Real Estate.

(5) The Division of Real Estate shall distribute the funds to one or more charitable organizations that:

(a) qualify as being tax exempt under Section 501(c)(3) of the Internal Revenue Code; and

(b) have as a primary part of their mission to provide support to organizations that create affordable housing for those in severe need.

(6) The Division of Real Estate may only consider proposals that are:

183 (a) proposed by an organization under Subsection (5); and
184 (b) designed to provide support to organizations that create affordable housing for
185 those in severe need.

186 (7) (a) An organization described in Subsection (5) may apply to the Division of Real
187 Estate to receive a distribution in accordance with Subsection (5).

188 (b) An organization that receives a distribution from the Division of Real Estate in
189 accordance with Subsection (5) shall expend the distribution only to provide support to
190 organizations that create affordable housing for those in severe need.

191 (8) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
192 Division of Real Estate shall make rules providing procedures for an organization to apply to
193 receive funds under this section.

194 Section 4. **Effective date.**

195 This bill takes effect on October 1, 2007.

Legislative Review Note
as of 2-9-07 12:50 PM

Office of Legislative Research and General Counsel

H.B. 445 - Utah Housing Opportunity Special Group License Plate

Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will require a one-time appropriation of \$8,200 from dedicated credits to the Division of Motor Vehicles for set-up and production costs, based on an initial order of 500 sets of 3-color plates. Restricted fund revenue of \$15,000 is anticipated, which will be deposited in a new Housing Opportunity Restricted Account in the General Fund and appropriated to the Division of Real Estate to be distributed among charitable organizations as defined in the bill.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
General Fund Restricted	\$0	\$15,000	\$15,000	\$0	\$15,000	\$15,000
Dedicated Credits	\$0	\$8,200	\$0	\$0	\$8,200	\$0
Total	\$0	\$23,200	\$15,000	\$0	\$23,200	\$15,000

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments. Individuals wishing to obtain the special group license plates must pay a \$5 per plate new plate fee and contribute a \$30 per year to the Utah Housing Opportunity Restricted Account. The Division of Real Estate is to distribute these funds to organizations that provide affordable housing, as defined in the bill.