

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA

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Specialty License Plates

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House Transportation Committee

Room 205
Ryan Office Building
Harrisburg, Pennsylvania

Thursday, May 3, 2001 - 9:39 a.m.

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BEFORE:

Honorable Richard Geist, Majority Chairman
Honorable Dennis Leh
Honorable Teresa Forcier
Honorable Dick Hess
Honorable John Maher
Honorable Jess Stairs
Honorable Jere Strittmatter
Honorable Joseph Markosek
Honorable Dante Santoni, Jr.

T2001-073

ALSO PRESENT:

Eric Bugaile
Majority Executive Director

Dana J. Alwine
Majority Counsel

Kristine Caber
Majority Administrative Assistant

Jason Wagner
Majority Research Analyst

Lynn Benka-Davies
Minority Research Analyst

Paul Parsells
Minority Executive Director

Marilyn Antes
Minority Committee Secretary

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Deborah Rogers Division Manager, Vehicle Service Maryland Motor Vehicle Administration	9
Frank H. Feldbaum Executive Director Wild Resources Conservation Fund PA Department of Environmental Protection	23
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Written Testimony Submitted By:

Honorable Katharine Watson

Barbara Hafer, State Treasurer

1 CHAIRPERSON GEIST: I think we're going to get
2 started. Mr. McHale from the State Police is out on an
3 accident site on official duty, and he'll get here as soon
4 as he can. Let me introduce the folks and ask them to come
5 up here where the microphones are.

6 Betty Serian, Secretary for Safety
7 Administration, Deputy; Betty Rabbitt, Assistant Division
8 Manager, Vehicle Services, Maryland Motor Vehicle
9 Administration; Lieutenant John Lyle, Assistant Director of
10 Safety Programs Division, Pennsylvania State Police; and
11 Frank Feldbaum, Executive Director of the Wild Resources
12 Conservation Fund, better known as the George Hasay
13 Memorial Plate.

14 I guess the first order of business is to
15 adjourn yesterday's meeting and reconvene today's meeting,
16 and we're in business. Yesterday, we heard from about half
17 of the General Assembly on specialty plates that are
18 currently introduced as bills.

19 And I know that we have other folks that are
20 contemplating putting legislation in for specialty plates,
21 and we took their testimony. And today, we're going to
22 talk about basically the mechanics of this whole program.
23 And we have a distinguished panel here to do that.

24 And I thought that what we would start off
25 with is Betty Serian so she can tell us what PennDOT does

1 now and how well they're going to do it in the future, and
2 then we'll get into the specifics. You're on.

3 MS. SERIAN: Thank you, Mr. Chairman. And
4 good morning everyone. I can talk a little bit about our
5 special fund program right now. And I think we have an
6 awful lot of challenges that we have to talk about and work
7 through to determine which direction special fund plates
8 will go in the future.

9 Right now, we have four -- I'm sorry -- five
10 special fund plates out there, including the Niagara which
11 has been retired. So we have four special fund plates that
12 really require the Department to handle the administration
13 of those plates, Treasury to handle the funds in which the,
14 \$15 of the plate is, that is received is put in.

15 And we have an awful lot that we have to do
16 operationally dealing with the special funds that exist
17 right now. And as we talk about where we go in the future,
18 I think we have to be cognizant of what we've learned from
19 the past. And we've learned a lot with our special funds
20 that are out there right now.

21 We've learned that yes, in some cases, they
22 can be very good revenue producers. And I'm sure you'll
23 hear Frank talk a little bit about that in the future.
24 We've also learned, though, that sales really decrease
25 after the first or second year.

1 And we've learned that it really takes a
2 tremendous amount of administration to carry on the aspects
3 of these funds. And we've also learned a lot about the
4 design of plates such as the special fund plates. One of
5 the biggest issues, concerns we need to deal with as we
6 move on in the future is the law enforcement concerns and
7 issues regarding the identification and conspicuity, a word
8 they like to use, and also the recognition of these plates.

9 So I believe that when the State Police get
10 here, they will talk a little bit about that.

11 CHAIRPERSON GEIST: The State Police are with
12 us now.

13 MS. SERIAN: Terrific. And I'm sure that they
14 will, they will cover that aspect of concern. But there
15 are a lot of challenges. And I think there is really a
16 need for a fresh approach. And that fresh approach really
17 needs to view the license plate not as an entire canvas for
18 a message to be on it but to look at that plate and its
19 intended purpose, which is one of identification for law
20 enforcement and for the vehicle.

21 I think we have to, as I said, learn from the
22 lessons of the past. But the special fund plates, speaking
23 on behalf of the administration end of PennDOT, are really
24 in, I'd say, in a significant, a significant need of being
25 changed and looking at better ways to, one, control the

1 issuance of any kind of special fund plate; two, looking at
2 the design of the plate; three, bringing about some more
3 consistency with how that plate is designed and what it's
4 used for; and four, really looking at the overall
5 administration of the plate.

6 One of the things I think we really need to
7 look at, too, is the fund responsibility. And I would
8 encourage members of the General Assembly to look at that.
9 It's very easy to say these plates are for a good cause.
10 And once again, the causes are all very worthy.

11 But we need to look at how that is
12 administered and also what the responsibility of that fund
13 needs to be. So as we move forward to look at what the
14 next generation may be of these types of plates, we've got
15 to keep a lot of those things in mind. And we do believe
16 there is a need to have a degree of responsibility from the
17 fund.

18 Right now, we have about \$500,000 worth of
19 inventory from special fund plates that the Department is
20 sitting on basically. All of the special fund plates that
21 have been issued so far have been issued with the
22 Department and, frankly, the taxpayers paying for the
23 initial securing of the material for these plates.

24 So we need to look at greater and I think more
25 expanded parameters in responsibility for the funds. Now,

1 we're here today to certainly listen and to hear -- I know
2 I heard about yesterday the need for 20 plates. I will
3 tell you that is -- or maybe more. Maybe it was more than
4 20. At last count, at 20.

5 I will tell you that is a great concern for
6 the administration, a great concern of the Department.
7 You're all very familiar with the Governor's veto message.
8 The Governor has historically been opposed to these types
9 of plates.

10 And I will tell you that I don't expect that
11 to change. So we need to find a better way, as he
12 suggested in his veto message, to find a way to deal with
13 the administration issues, the financial issues, the
14 identification issues, and the operational issues of the
15 special funds.

16 So I am here, Mr. Chairman, today to listen,
17 to hear what members of the General Assembly have to say
18 and to suggest as to how we might go forward. We do not
19 have a plan etched in stone right now, Mr. Chairman, as to
20 how we might go about issuing special fund plates or
21 specialty plates.

22 There had been some discussion last year, some
23 legislation that was put forth that needs to be tweaked
24 somewhat, I would say, to really address our overall
25 concerns regarding special fund plates. With that, I'll be

1 happy, as we move forward, to take any questions or
2 comments anyone has.

3 CHAIRPERSON GEIST: In the veto message for
4 1470, in the Governor's veto message, he said that he would
5 be coming back with language. And I don't think we've seen
6 that language yet.

7 MS. SERIAN: No, sir. You have not.

8 CHAIRPERSON GEIST: So we will hope to develop
9 some of that and enhance upon what we did in 1470. Betty,
10 will you tell us a little bit about what you do in
11 Maryland?

12 MS. ROGERS: Hi. My name is Debbie Rogers.

13 CHAIRPERSON GEIST: Oh, I'm sorry.

14 MS. ROGERS: That's okay. Betty Rabbitt is
15 with me today.

16 CHAIRPERSON GEIST: You're going to do the
17 testifying?

18 MS. SERIAN: Deb is.

19 MS. ROGERS: Yeah. I'm the Division Manager
20 for Vehicle Services.

21 CHAIRPERSON GEIST: For the stenographer, can
22 you spell your name?

23 MS. ROGERS: D-e-b-o-r-a-h, R-o-g-e-r-s.

24 CHAIRPERSON GEIST: And what's your title?

25 MS. ROGERS: I'm Division Manager of Vehicle

1 Services in which the special plate program falls under.
2 Maryland, since 1991, has had a commemorative plate, which
3 I'm sure a lot of you are aware of, the Chesapeake Bay
4 plate.

5 Last year in our general assembly, it was
6 passed that we would issue a second commemorative plate.
7 Whereas I believe you refer to them as your special fund
8 plates, we refer to them as our commemorative plate. By
9 statute, we're only allowed to issue two at a time.

10 Quite honestly, we -- it's been well over a
11 year, from what Betty was saying, from the administration
12 standpoint to get the agricultural plate out, which should
13 be out on the streets by July 1st of this coming year. We
14 have worked on it now for a year and a half, the
15 Agricultural Foundation.

16 Half the funds in our state, just like in your
17 state, a portion of the funds goes to the Chesapeake Bay
18 Foundation for the Chesapeake Bay plate. For the
19 agricultural plate, it's going to go to the Agricultural
20 Education Foundation in the state. And we will be
21 responsible for distributing the funds appropriately.
22 We're only allowed to recover our costs of the plate.

23 Another program we have in the state, the
24 commemorative plate issued statewide, it is issued by all
25 of our offices. We only have two, the Chesapeake Bay

1 plate -- one of the reasons why, of limiting it is to make
2 sure that the causes are supported in the state and we
3 don't lose track of Maryland's signature plate, too, which
4 is the white plate with the black background.

5 We also have an organizational plate program
6 in the state, and that's a centralized program. It is not
7 open to all of the general public in the state. It is for
8 nonprofit organizations in the state with 25 members or
9 more. They pay for the original issuance of the plate up
10 front, for the cost of the plate up front.

11 The funds -- we're only allowed to recover our
12 costs. The funds do go into our Transportation Trust Fund.
13 Back in the 1980s, we started with, like, 20 organizations.
14 Today, we have over 500 organizations in the state. And
15 they range from the very small of 50 plates to the very
16 large like the fire departments.

17 And that is the way we have handled our
18 specialty, the special interest groups in the state,
19 especially the smaller groups. And that's about it, you
20 know.

21 MR. BUGAILE: What's the charge for those
22 plates?

23 MS. ROGERS: For the organizational license
24 plate, it's a onetime fee of \$25 for the issuance of the
25 plate. And that covers the cost of the material as well as

1 the administrative cost of the plate. It is a centralized
2 program in the state.

3 The commemorative plates, both plates -- the
4 Chesapeake Bay plate is \$20 for the original issuance of
5 the plate, and the agricultural plate will be \$20. Ten
6 dollars goes to the Foundation, and \$10 goes to the state
7 on those plates.

8 MR. BUGAILE: On the organizational plate,
9 isn't it true, though, that the organization charges a fee
10 as well. So this, the 25 just goes to the, to Maryland,
11 right?

12 MS. ROGERS: Right. The organizations
13 themselves, we're not really involved in that. What the
14 organization charges their members is between the
15 organization and their members.

16 MR. PARSELLS: And they can charge any amount
17 for those plates?

18 MS. ROGERS: Right. They can charge any
19 amount. They have had auctions. They have actually had
20 auctions of, like, the top numbers.

21 MR. PARSELLS: And do you charge those
22 organizations a setup fee to produce the plate?

23 MS. ROGERS: The organization themselves by
24 regulation is, they're responsible, first off, of providing
25 us with a listing of their members who will be purchasing

1 the plate. They guarantee us --

2 MR. PARSELLS: Excuse me. That's 25, that's
3 all you require?

4 MS. ROGERS: Right. And we will not produce
5 more than 50 plates if they do not -- if they do not give
6 us over 50 names, we do not produce 100 plates. We take
7 their original listing, and we go from there. And the
8 organizations in our state are aware that if we should run
9 out of stock centrally located, if we should run out of
10 stock, it will be a 4- to 6-week time period before we
11 would get their plate back in.

12 CHAIRPERSON GEIST: Do you personalize those
13 plates?

14 MS. ROGERS: No, we do not. The organization
15 license plate itself -- and Betty brought a, some sample
16 plates. The organization -- and it's established by
17 regulation. For the logo, it can be on the left-hand side.
18 The alfa numerics are on the right-hand side. They're
19 limited to 4 colors on their logo.

20 The organization is responsible for providing
21 us with camera-ready artwork as well as the PSN numbers for
22 the coloring, the universal coloring number. We send the
23 camera-ready artwork as well as their alfa numeric scheme
24 down to our prison system, who will knock up a plate.

25 The organization is responsible for reviewing

1 that plate and signing off on the plate when we get the
2 sample plate back. Here, I'll show you the Penn State
3 plate. They selected to have their plate just black and
4 white.

5 CHAIRPERSON GEIST: Not blue?

6 MS. ROGERS: We have, we have Prince George's
7 Schools. Their mascot is the crab. So one of the things
8 you'll notice, though, with our, with our plates, it cannot
9 be a slogan at the bottom of the plate. On this, it's Penn
10 State Alumni. On this one, it's Prince George's Schools.

11 They're limited. We don't allow slogans at
12 the bottom. It's always Maryland at the top of the plate.
13 They cannot get an organization plate on the Chesapeake Bay
14 background or on the new farm plate that's coming up. And
15 when you see the farm plate, it will be the most colorful
16 plate Maryland has ever issued.

17 This is the plate that will be coming out in
18 July. And it's -- I know that you have seen the Chesapeake
19 Bay plate. They must be on Maryland's signature stock,
20 which is the white background. One of the reasons for
21 that, too, is the cost of producing the plates, the
22 organization plates. The aluminum and all is purchased.

23 The more you buy, the more cost-effective it
24 is. And it helps our prison system keep the stock in.

25 CHAIRPERSON GEIST: When you do do personal

1 plates, do they run through the same machine?

2 MS. ROGERS: Yes. It's the same dye. As you
3 can -- on the organization plates, the logo itself is
4 self-screened. Okay. The dyes, the numerics are dicot on
5 the plates. And this is -- we had looked at going to
6 totally self-screen in the state.

7 One of the things with it is it's not as
8 reflective in our law enforcement. It prefers -- whereas,
9 we try to keep the self-screening to just the alfa
10 characters on the plate.

11 CHAIRPERSON GEIST: On your specialty, on your
12 plate that you customize whereas -- you can get a vanity
13 plate in Maryland, correct?

14 MS. ROGERS: Right.

15 CHAIRPERSON GEIST: And you're up to seven
16 spaces on that; is that correct?

17 MS. ROGERS: Yes, we are.

18 CHAIRPERSON GEIST: I see all the stuff at the
19 shore. Now, that all goes through the same machine at the
20 prison, right?

21 MS. ROGERS: Correct.

22 CHAIRPERSON GEIST: And they just type in the
23 numbers and do it. We have -- one of the proposals that we
24 have is that the organizations can charge up to \$300. The
25 money is split equally between the Department and the

1 organization.

2 So that if you have the Penn State plate, I
3 can spend that money and get Joe Pa 1 or whatever I want.
4 Penn State gets whatever that fund, dedicated fund is; and
5 the Department gets some monies. And we know that New York
6 can do it as they computerize going into the license plate.

7 And we think that that would be a great
8 revenue enhancement for all of the specialty plates,
9 especially the hunter/angler plate that we've been trying
10 to get through.

11 MS. ROGERS: Our commemorative plates you
12 can --

13 CHAIRPERSON GEIST: Right.

14 MS. ROGERS: -- specialize. The organization
15 plate is really to promote -- the concept of the
16 organizational plate program is to promote the nonprofit
17 organization themselves. And the feeling among, not just
18 by the department, by the organizations is that vanity
19 plates in organizations can possibly take away from
20 promoting the organization themselves.

21 And we don't -- unlike you -- every state is
22 different with their special plate programs, as you're
23 aware. The -- one of the things is we do not see the
24 revenue that is between the organization and their members.
25 We get our, we get our cost. We get our \$25 at the time of

1 issuing the plate.

2 If you lose your organization plate and we
3 have to special order one, which sometimes we will do for
4 the lower tag numbers or the higher tag numbers, the
5 presidents of organizations most likely, we will, it is
6 another \$25 cost because of having it --

7 CHAIRPERSON GEIST: Does the department sell
8 them to collectors through the department?

9 MS. ROGERS: No. No, we do not. We do not
10 sell plates to collectors.

11 CHAIRPERSON GEIST: Any other questions of the
12 panel before we go on and hear the other three?

13 MR. PARSELLS: To clarify the special
14 organization plates or whatever you call them, the criteria
15 for eligibility is they have to be a nonprofit
16 organization?

17 MS. ROGERS: Yes, it is. They have to be
18 nonprofit, and they have to show us their IRS papers.

19 MR. PARSELLS: And the fee to you is a onetime
20 fee?

21 MS. ROGERS: Fee of \$25. Now, what they
22 charge -- they do charge their members more, and it varies
23 from organization to organization. Another thing with our
24 organizational plate program, the organization is in
25 charge. They have the applications for their plates, and

1 they assign a tag chairperson.

2 We will not hand out an application, and we do
3 not accept an application that is not signed by that
4 organization's tag chairperson.

5 MR. PARSELLS: Back to my earlier question to
6 clarify. You do not -- you do replace photo -- or from the
7 organization, you do not charge a special setup fee for
8 that?

9 MS. ROGERS: No. They supply us with the
10 camera ready --

11 MR. PARSELLS: Okay. Thank you very much, Mr.
12 Chairman.

13 REPRESENTATIVE STAIRS: Thank you. And I see
14 our State Police here. So they'll probably talk about
15 Pennsylvania plates. But in Maryland, you have a variety
16 of plates and a variety of colors. What's your law
17 enforcement agents, whether it be local or state, say
18 about it?

19 I mean, in the old days, you had one license
20 plate for Maryland or Pennsylvania; and that was it. But
21 now you have literally hundreds. And what's their comments
22 on the variety of plates out there and the visibility of
23 the plates?

24 MS. ROGERS: The main concern is the
25 visibility of plates. And with our organization plates as

1 well as the, with the new farm plate that's coming out, the
2 State Police have found, they did test the plate for the
3 reflectability and the eligibility of the plate.

4 As I said before, the organization plates,
5 it's always on Maryland's signature stock, which is the
6 white, the white background with the black letters. And
7 you're limited to your colors on the left-hand side. So
8 they really have not had a problem with it as far as that.

9 REPRESENTATIVE STAIRS: And I should know this
10 answer. I think I do. Maryland has both front and back
11 plates?

12 MS. ROGERS: Yes, they do.

13 REPRESENTATIVE STAIRS: And of course, that
14 just doubles the cost. What's the advantage -- in
15 Pennsylvania, I don't know the reason we have one plate.
16 But obviously, I assume it's cost savings. That may be the
17 reason. But in your case now, you have the two plates.

18 In other words, you're charging people,
19 whether it's \$20, \$25. But your expenses would be, I
20 guess, twice as much as ours probably.

21 MS. ROGERS: I really don't know what the cost
22 is here to manufacture your license plates and the postage.
23 I imagine the postage is slightly more. But I don't
24 believe -- because of the plates being aluminum now and not
25 steel in our state, the cost factor is substantially --

1 MR. BUGAILE: Your prison industry does the
2 plates?

3 MS. ROGERS: Yes, they do.

4 MR. BUGAILE: One prison or what? Do you have
5 one line of --

6 MS. ROGERS: One prison does the plates, and
7 our other prison does the stickers.

8 CHAIRPERSON GEIST: Dennis.

9 REPRESENTATIVE LEH: Yes. Thank you, Mr.
10 Chairman. I apologize for being late. Although, I've
11 learned over the past 16 years if you're late, it looks
12 like you have many things to do. So my question is, is
13 that to piggyback on Jess Stairs'.

14 Do you foresee a time when there may be some
15 confusion in establishing identity of different plates in
16 the different states? Now, you showed a farm plate there
17 that was very distinctive. But I know as I drive around
18 Pennsylvania, with the many types of Pennsylvania plates, I
19 mean, I get confused from time to time because if I were
20 to, if I ever had to identify a car in a very limited
21 amount of time, I could be confused by different license
22 plates. Was that a Pennsylvania plate?

23 I may get the number; but I may not know what,
24 what state it was from. And that's, I guess that's my
25 question. And I'll ask that again of our State Police

1 also.

2 MS. ROGERS: That has not been a problem in
3 our state so far. And once again, I believe it's because
4 we stick to the signature plate background on the majority
5 of our license plates. And Maryland is always at the top.

6 REPRESENTATIVE LEH: Okay. Thank you.

7 MR. BUGAILE: I have one question. We had a
8 proposal -- one of our proposals was for a library plate
9 for the entire state. But the proposal was to go into the
10 individual libraries, give a donation to the library, and
11 then you could get the plate.

12 So could that work in Maryland in that way or,
13 because you don't have maybe, you don't have a library
14 organization in Maryland that comes in and asks for that?
15 Or how would that work?

16 MS. ROGERS: We have a similar -- not the
17 libraries. It's the SPCA in Maryland wanting to have a, a
18 pet plate that would be sold at the SPCA where they would
19 not have just, like, one tag chairman. And it is set
20 up -- it does work. It is set up under our organizational
21 plate program.

22 And the different SPCAs in the state got
23 together. They decided on a design. Instead of having,
24 like, 20 different designs, they decided on one design for
25 all the SPCAs. And the applications are kept at the SPCA.

1 And what they do is they charge -- you make
2 your donation, and then they give you a signed application
3 to bring into Motor Vehicles to have your plate issued.

4 MR. BUGAILE: Is there any cost then? What's
5 the charge that they ask for at the SPCA, though?

6 MS. ROGERS: There is no set fee of what they
7 can charge. In some of our counties, it is nothing more
8 than you have made a donation. And others, they'll have a
9 set fee. But once again, it's \$25 when they come in. And
10 they are well aware of that at the time.

11 MR. BUGAILE: Thank you.

12 REPRESENTATIVE MARKOSEK: Thank you, Mr.
13 Chairman. Any plans in Maryland to put your web address on
14 the license plate?

15 MS. ROGERS: Not at this time.

16 REPRESENTATIVE MARKOSEK: You can use You've
17 Got a Friend in Maryland.

18 CHAIRPERSON GEIST: All right. Let's keep
19 this moving a little bit so we can come back and get into
20 some dialogue. Frank, you were the first. And I think
21 that your experience, along with the Maryland plate, it was
22 my understanding that the Maryland plate has generated for
23 the Bay \$800,000; is that correct?

24 MS. ROGERS: Yes, sir.

25 CHAIRPERSON GEIST: Did everybody get that

1 number? \$800,000 for the Bay. And right now -- Frank, put
2 our plate out. We call this the George Hasay plate, by the
3 way.

4 MR. FELDBAUM: Yes. The George Hasay plate
5 started in 1991 with George leading the Wild Resource
6 Conservation Fund Committee as the chair. And he asked how
7 he could help the fund get some more money since the income
8 tax checkoff was lagging.

9 And these are our only 2 funding mechanisms,
10 income tax checkoff and the license plate. In 1992, he
11 carried it and amended it into Title 75. And the plate
12 history began in Pennsylvania. I'll talk about a few
13 things that we would like to revisit.

14 But in all -- in December of '93, we started
15 the owl license plate. We selected the owl. State Police
16 called it the pigeon plate. But anyhow, the owl became the
17 trend setter with license plates across the United States
18 because we, the Commonwealth was asked to sit in on
19 discussions with Tennessee, Wisconsin, Maine.

20 We were the trend setter at the time. Some
21 skeptics said that it would never, ever outsell the Penn
22 State Alumni plate. The first time that that moved
23 forward, in the first month, we sold, I believe, 18,000
24 plates. The second month, we sold 20,000 plates. And the
25 rest is history.

1 Approximately a quarter of a million plates
2 were issued during the time of the owl plate. It was in
3 the high to mid-240,000 plates. But then we knew that it
4 was going to start to taper off. And then we went back to
5 Transportation and to talk to Betty, and we had the
6 anticipation of doing another plate.

7 George had the anticipation of doing another
8 plate like in 3 to 4 years. Well, we really didn't get the
9 otter plate out of the negotiation with Transportation
10 because the General Assembly said we will have "a" plate.
11 And there was some major discussion with what "a" was,
12 which was singular.

13 So the day that the otter plate went on sale
14 in February of 2000, then the owl plate was authorized off
15 the market. And I might add, Transportation was very
16 helpful. They were a gem to work with because we were
17 cutting new ground. We never did this before.

18 And there was a lot of angst and concern
19 because of the plate's design. As you can see from the one
20 plate to the other plate, we bumped it up a few notches,
21 made it probably one of the more colorful plates that's
22 issued across the United States.

23 We did have a -- one thing that changed from
24 '92 to '99 was a Safety Review Commission that was
25 initiated since we had a conflict with the Flagship

1 Niagara, the stealth plate as many people call it, that you
2 can't see the glass beads on paint and the white mass of
3 the ship.

4 So it took almost 2 years to design the otter
5 plate to the point where everybody could live with it. And
6 then the 13th hour, we were told that the bottom of
7 Pennsylvania had to be reflective and it had to be an inch
8 and a quarter high and on the bottom of the plate and that
9 all the alfa numerics on the top had to be white and fully
10 reflective so they can be identified by the State Police.

11 And of course, we were very thoughtful, being
12 compliant with their wishes. Well, then in the 13th hour
13 after they had the safety review check of the plate, as
14 soon as they did their nighttime reflective review, the
15 white letters disappeared into the reflective background.

16 So we had to go over and recoat them with the
17 blue ink, and they would stand out for easy identification
18 by the troopers. So the plate now is history. But there
19 are a lot of reviews. We do have the owl plate. There are
20 still 168,000 owl plates out there from the approximately
21 240,000-plus.

22 The otter plate has now been online for
23 approximately a year and 3 months, but we're only at
24 28,000. Even though that we're the new kid on the block,
25 we have now looked at some saturation. DARE plate is still

1 20,000. We now have -- after DARE's been out for 3 years,
2 we're even above the DARE plate within one year.

3 So there could be a saturation point at
4 someplace with the license plates just like with the income
5 tax checkoffs. You only have so many people that are going
6 to buy these particular plates. One important point to
7 consider -- and I believe I gave Jason and some of the
8 ladies the application itself.

9 We -- in order to keep up with the commitment
10 of the Governor, to the newspaper flow, and to look at
11 meeting the Lieutenant Governor's prime initiatives, each
12 group used to stick its own application into the
13 registration forms that were sent out by the Department of
14 Transportation.

15 Well, at the peak, there were 5 plates before
16 the owl plate was deauthorized. And we were able to come
17 up with my kind of leadership taking it to the other
18 organizations and saying, Hey, we should save money. We'd
19 be able to insert one application.

20 The Department again was instrumental in
21 designing the back of the plate application form with their
22 information. We then condensed it on the front. Now, with
23 the proliferation of new license plates, I don't know where
24 we'll be with this.

25 This application, I just had another 7.5

1 million of them printed. Each one of the groups pay their
2 fair share of 25 percent, which costs approximately
3 \$100,000, which hence, each of the groups were paying
4 \$100,000 before.

5 So you can see the amount of savings it is to
6 these particular groups to go with this one application
7 form. In the creation of these additional license plates,
8 whichever ones they were -- I missed yesterday's -- but I
9 think the General Assembly, in their leadership, is going
10 to have to look at once the plate's sold, it's sold.

11 The group, whoever it may be, will only have
12 that onetime hidden money. If I had to redesign this
13 program over -- and I'm sure George would have worked with
14 whatever language we gave them. We worked from Florida and
15 Maryland. Those were the only 2 plates out there at that
16 time in '91 and '92.

17 I probably would have recommended that there
18 would be an annual renewal fee charged to the plates, \$3
19 administration cost going to the Department of
20 Transportation and the other \$7 going back to the
21 organization that would be sponsoring the plate.

22 Once it's sold, it's sold. An organization,
23 may it be breast cancer, may it be the hunter and angler
24 plate, may it be neutering and spaying of animals, or may
25 it be child abuse or whichever plate it would be that's

1 finished, it's finite.

2 So if you're going to think out of the box,
3 and as Betty was saying, look at this and we're going to
4 set new parameters and new benchmarks and different things
5 like this, I think that would be one of my recommendations
6 to be looking at. Representative Geist.

7 CHAIRPERSON GEIST: Thank you very much.
8 Interest by collectors, I know I have a, I have a railroad
9 plate which I think is the best of all the plates. I have
10 a railroad plate with 1361 on it, and it gets a lot of
11 interest. And a lot of people from out of state want to
12 buy it.

13 I mean, I've had people ask me to buy my plate
14 right off my car. So I can report it stolen. How do you
15 handle that?

16 MR. FELDBAUM: Well, right now, we just make
17 the sample plates. And the sample plates are sold through
18 the Department of Transportation. Every plate, once it's
19 purchased, becomes technically property of the purchaser
20 until they would get a reissue of the general web site
21 plate or they would go to another, another plate.

22 But right now, there isn't any latitude for
23 collector plates.

24 CHAIRPERSON GEIST: Are you familiar with the
25 language that was in 1470 on personalizing those plates?

1 MR. FELDBAUM: Uh-huh.

2 CHAIRPERSON GEIST: Based upon the number of
3 plates that you sold, what percentage of the people do you
4 think would get them personalized?

5 MR. FELDBAUM: It would be a tough call,
6 Representative Geist. But I know we had hundreds of
7 requests over the time frame whenever we initialed the
8 first owl plate, they wanted "who." I mean, if I had "who"
9 and sold "who", we could have probably got \$5,000 for that
10 plate if they wanted it.

11 But in those parameters, we again were working
12 with Transportation; and they laid down the guidelines.
13 And then it became -- there's even a statement on the back
14 of the license application, "There will be no personalized
15 plates."

16 CHAIRPERSON GEIST: One of the areas I'm
17 extremely interested in is also the ability to renew on a
18 yearly basis on a subscribed plate with the same number.
19 And that way, it would give you a constant source of
20 income. If Representative Hess wanted the hunter/angler
21 plate with his favorite shotgun, you know, on there, he
22 would be able to every year update his plate.

23 And the hunter/angler program would be a lot
24 happier and Betty would be a lot happier with the income
25 that generates off it. If you had somebody that wanted to

1 put Hollywood on their plate, you would be able to do that.
2 And people will pay for that privilege. And I think
3 everybody becomes a win/win.

4 MR. FELDBAUM: I agree. I think it can be
5 worked out. The personalized plates would be an asset to
6 any one of the groups that would want that to come forth.
7 But again, that would have to be worked out with the
8 Department and the Corrections. And I think they're an
9 intrical part of it.

10 Corrections, I don't know if they're here
11 today or not or somebody's going to be in from them. But
12 they're, I think, one of the key players, too, that should
13 be looked at and discussed because they have the state
14 issue plus the other 114 plates or 142 plates. Correct
15 me. I think it's 142 right now --

16 MS. SERIAN: Pretty close.

17 MR. FELDBAUM: -- that's being issued by the
18 Commonwealth with all the emergency plates and all the
19 alumni plates that are out there. So we have about 142
20 plates. And it's up to the prison to, I think, be looked
21 at. You may have to kick some dollars into their account
22 to be able to buy the new equipment to keep up with
23 demands.

24 CHAIRPERSON GEIST: We took a look at New York
25 and how they do it. And we know that that stuff is doable.

1 Whether it's self-screened and whether it's stamped in
2 metal, I don't see any problem with it. Just type them in
3 right down the assembly line and it's punched out.

4 So I think the plates are absolutely
5 beautiful. And I was proud to be part of that movement in
6 '91. So I think George, as much as we kid him about it,
7 certainly deserves a lot of credit for it. I think at this
8 time -- Paul.

9 MR. PARSELLS: Mr. Feldbaum, so you're
10 suggesting that in order to accommodate all these requests
11 from all these very worthy organizations, that we should
12 consider legislation which would require all plates to have
13 a finite life span, finite inventory; and when they're
14 sold, they're sold. That would include your plate as
15 well?

16 MR. FELDBAUM: Uh-huh. You need, you need the
17 parameters because how much do you stock within the prisons
18 and within Transportation? And I think that becomes a big
19 one. You know, we're wrestling with DARE now. You know,
20 they -- I don't know how many plates they are exactly
21 selling. But right now, they have 20,989 plates.

22 MR. PARSELLS: Right. That plate never sold
23 very well.

24 MR. FELDBAUM: So the end result is, How long
25 do we keep that? There has to be a termination date. But

1 if you so choose to keep it on your car, then you should
2 pay a \$10 annual renewal fee to go ahead and --

3 MR. PARSELLS: So if your plate was retired,
4 then you wouldn't request another plate to be reissued?

5 MR. FELDBAUM: Another one of these plates?

6 MR. PARSELLS: Yes.

7 MR. FELDBAUM: I would have to really, really
8 scrutinize that time frame. We set the benchmark with the
9 Department. The 200,000 plates had to be sold before you
10 could recharge the design. I would probably never see
11 200,000. I think this is the other plate, if I'm not
12 mistaken.

13 I will never see 200,000 other plates sold
14 again just because of the amount of competition with the
15 other license plates. And I don't know if the zoo will
16 come back because they, they will never meet 200,000. They
17 are at about 118,000 right now.

18 So the trigger that we set with the Department
19 of Transportation was 200,000 plates sold. Then you can
20 redesign it. And that was the point that we work with.

21 MR. PARSELLS: So you're saying redesign. You
22 want to be able to continue to issue plates. Are you
23 saying each organization gets one shot?

24 MR. FELDBAUM: Well, it would be depending on
25 the plates that would be sold, Representative Parsells,

1 that if you're only going to sell 5,000 plates, if you're
2 only going to sell 5,000 plates, you look at it as a
3 fund-raising income. This plate cost \$3.50 to produce.
4 That plate in 1992 cost \$1.81. So --

5 MR. PARSELLS: Yeah. I know it's very
6 expensive to handle the inventory, and it's clearly a
7 concern to the Department and many of us.

8 MR. FELDBAUM: So it will be cost-effective
9 for a plate to continue. If 5,000 plates are sold, that
10 would be \$10,000 a year. Does it make that much difference
11 in an organization, \$50,000 a year, if they go to an annual
12 renewal fee? I don't know.

13 MR. PARSELLS: Thank you.

14 CHAIRPERSON GEIST: One of the, one of the
15 vendors who was in to see me with a license plate has a
16 blank. And it just goes through the machine and
17 everything's done all at once. So you can do a regular
18 plate, wild resources plate, Penn State plate, right down
19 through.

20 And then that way, you aren't caught with a
21 tremendous amount of inventory. Now, whether that is
22 viable, what the cost would be, what is the break-even
23 point we have to take a look at. I think what we're going
24 to do right now, we have the real experts here, the State
25 Police.

1 And Bill and John are the guys -- John's the
2 guy that works with this all the time. He is the guy that
3 put the submarine torpedo plate into the late Niagara, into
4 the Niagara plate. And we're going to talk a little bit
5 today about their take on all this.

6 LIEUTENANT LYLE: Good morning. Forgive me
7 for being late this morning. I had an unforeseen accident
8 literally. As you well know, the primary purpose for
9 license plates was for identification. The law enforcement
10 community is concerned more with being able to identify a
11 vehicle in the event of crimes being committed.

12 We're also concerned that the citizenry also
13 has the ability to identify license plates for
14 identification purposes. I was just sitting here looking
15 at the numerous plates that are being presented. While we
16 have, we are just as awed with the artistry, et cetera, if
17 you take those plates that were presented by Maryland,
18 these here, multiply those by 50 just in the United States
19 alone, put them in front of you, and imagine yourself a
20 police officer trying to identify this particular vehicle
21 if a crime is being committed. So that, that is our main,
22 our main concern.

23 With our sister agency, PennDOT, because of
24 House Bill 1470, we are now a party to the Special Fund
25 Advisory Committee. And we also are waiting for language

1 to come down from the Governor. One of the main things
2 that we are concerned with with regards to the plating is
3 that we're looking for uniformity.

4 We have done research on the existing plate,
5 the white, blue, and yellow plate, and found that to be
6 very acceptable for law enforcement needs; i.e.,
7 identification both during daylight and evening hours. It
8 has met the standards which were recommended by AAMVA as
9 well as the inlets programs in that the reflectivity is up
10 to 75 feet. Whereas, it is 100 feet. So it meets both
11 those requirements.

12 What our concern is is basically we would like
13 to see the, the main format or the uniformity of the plate,
14 of the plate, the coloring maintained so that upon first
15 recognition, you can identify that plate as being from
16 Pennsylvania.

17 With regards to the specialized groups or
18 special fund plates, we've discussed with PennDOT as far as
19 designating certain areas of that plate for screening
20 purposes. Another big issue that we are concerned with is
21 the over and under of the, the numbering, alfa numeric
22 numbering of license plates.

23 It creates a problem as far as recognition.
24 Also, another thing that is a concern with law enforcement
25 is the duplication of numbers for particular styles of

1 plates. I don't know exactly what that scenario is here in
2 Pennsylvania.

3 But I know a lot of states are having problems
4 where when you have a specialized plate, you're getting
5 duplication in that particular plate for that style of
6 plate. When we run through the SCI system and the inlet
7 systems, it's creating an awful problem.

8 Not only that, the system is probably going to
9 be maxed out of the saturated owl as far as being able to
10 handle the volume of plates that are being presented by
11 states throughout the nation. Some conversation was
12 brought up with regards to what I believe you would call
13 flat plating with regards to self-screening, et cetera, 3M.

14 We've looked at those plates. Reflectivity
15 does not appear to be a problem at this point. Our main
16 concern is, with the advent of computer technology, being
17 able to counterfeit those particular plates. That causes
18 serious concern for the law enforcement community.

19 CHAIRPERSON GEIST: Is that better than
20 stealing them in Bucks County and going to Philadelphia?

21 LIEUTENANT LYLE: I beg your pardon.

22 CHAIRPERSON GEIST: I just said, Is that
23 better than stealing them in Bucks County and going to
24 Philadelphia?

25 LIEUTENANT LYLE: It's probably a lot less

1 work. That's basically all I have.

2 LIEUTENANT McHALE: I would just like to
3 repeat what John said. We're here representing the law
4 enforcement community. And sometimes it's hard to
5 visualize what we're talking about. But it's very
6 difficult from a safety standpoint to stop these vehicles.

7 And it's important for us to recognize that
8 plate being from our state. We're just here as a voice of
9 law enforcement. And I think John covered most of the
10 points.

11 CHAIRPERSON GEIST: One area that we didn't
12 cover and there's a lot of interest in is the personalized
13 plate or the specialty plates for motorcycles. And do you
14 want to touch on how you do that in Maryland because I have
15 seen those at the shore also.

16 MS. ROGERS: I have one here. As you can
17 see -- by the way, this is our pet plate. It's still on
18 the white background. But look at the difference in size
19 of the organizational logo. It's much smaller, and you're
20 limited to 6 characters.

21 And once again, the alfa numerics are still
22 embossed on the plate. So you're limited to the number of
23 characters you have on the plate. And Maryland's
24 motorcycle plate as a whole is smaller than most other
25 states' plates.

1 MR. PARSELLS: Now, that's a special work
2 plate? Or is that --

3 MS. ROGERS: This is a special work
4 organization.

5 MR. PARSELLS: I was going to say you don't
6 call your motorcycles hogs.

7 MS. ROGERS: No. This is the -- I forget what
8 it stands for. It's Harley Davidson something -- thank
9 you -- Owners' Group. He knew. But when -- this is what
10 brought about the organizational plates for motorcycles.
11 The Harley Davidson Owners' Group all have organizational
12 plates, organizational plates on their cars. But they're
13 not a real --

14 MR. PARSELLS: You do not personalize that?

15 MS. ROGERS: We do not personalize any of our
16 organizational license plates. And one of the things also
17 in our state, the funding for the vanity plates, the
18 personalized plates, goes to a separate education
19 foundation. All those funds go to that.

20 MR. BUGAILE: You have veterans plates, too,
21 for motorcycles as well?

22 MS. ROGERS: Yes. One of the things we have,
23 we offer our organization plates if the organization
24 chooses to have the motorcycle plate. This is obviously
25 the most popular. I don't have the numbers with me. I

1 could get back to you.

2 It is a very small percentage of the plates
3 are motorcycle. One of the reasons is, is how small the
4 logo is.

5 CHAIRPERSON GEIST: For the House members, one
6 of the things we've been kicking around is bringing the
7 language of 1470 back as a separate plate bill and then
8 adding all the bills into that bill and send it to the
9 Governor in one fell swoop and then setting up the
10 procedure for groups to come back.

11 I think that what you've done in Maryland is
12 really impressive, especially with the 25 and the way that
13 you handle the cost. For small groups -- and I'm not
14 singling them out for any reason. But for the submariners
15 and other groups that have trouble qualifying for the
16 PennDOT numbers now, that becomes a very good idea.

17 In talking about the shaded, impregnated, and
18 printed plastics, there has to be a way of putting a marker
19 in there like we do on money so we don't counterfeit them.
20 We just have taken a lot of information in here today. And
21 the more I learn about license plates, the more complicated
22 it truly becomes.

23 For Representatives, the pressure is out there
24 with the groups, though, to produce them. So we have to
25 find a way to make this work. Jere.

1 REPRESENTATIVE STRITTMATTER: Thanks. As far
2 as the workshop, I'd just like to throw out another idea.
3 I know that the Department of Transportation's, the
4 Department of Transportation's responsibilities, they don't
5 include, you know, a lot of, you know, this.

6 I would sort of characterize it as mission
7 creep, you know, getting into worrying about taking care of
8 all these different groups that we want to take care of as
9 legislators. So one suggestion I would have for the
10 working group that's working with the Governor with the
11 language, that I do know with working with museums and
12 other charitable groups, that there are other organizations
13 that have made it very easy for those groups to get the
14 funding that they need.

15 And for instance, on one web site, you can
16 donate to any museum that you would like. And so it might
17 be good, just like we've outsourced the incoming calls,
18 that PennDOT could outsource with all these charitable
19 groups to a company who's in the business of charitable
20 giving.

21 And those people who do a lot of development
22 work for charities or for museums, you could talk to them
23 and see how they are able to do that so that you don't have
24 to have a separate setup for every organization.

25 There's companies out there that whatever

1 museum you want to donate to or whatever cause you want to
2 donate to, you can go to the same web site; and they take
3 care of that for all their organizations for an
4 administrative fee that they work out with the
5 organization.

6 And so that might be something to make it a
7 little bit easier for our Department of Transportation, you
8 know, not to have to worry about, that there would be
9 one-stop shopping. There would be one, one contractor that
10 would organize all these different groups that want to have
11 these things taken care of.

12 And then they would take care of all the
13 paperwork and all the money and all the issuance things,
14 and they would just communicate. You'd have one point, one
15 person or one company to work with. And so that's what I
16 would suggest, that you, you know, look into the, into the
17 charitable giving side and talk to those contractors and
18 see how secure that is and how happy they are. And then
19 that might get you over that objection. Thanks.

20 CHAIRPERSON GEIST: We hoped this morning
21 that, in this format, that it's give and take. And since
22 you guys are all the experts, you can give it to us any
23 time you want to. Before we do that, let me read into the
24 record correspondence, May 2nd, Barbara Hafer, Treasurer,
25 addressed to me.

1 "Thank you for contacting me regarding the
2 creation and maintenance of special funds in the state
3 treasury for specialized motor vehicle registration license
4 plates. Please be advised that from the perspective of the
5 Treasury Department, creation of such additional funds does
6 not pose any administrative or financial difficulty. I
7 have been informed by the Governor's office that the burden
8 on the Commonwealth referenced in the veto message on House
9 Bill 1470 relates to agencies under the Governor's
10 jurisdiction. The legislation would not have created any
11 undue burden on the Treasury Department. I hope that my
12 input is helpful to your deliberations on these issues.
13 Sincerely, Barbara Hafer, State Treasurer."

14 Eric has a couple questions, and we'll go from
15 there.

16 MR. BUGAILE: Yeah. Lieutenant Lyle, you
17 mentioned the visibility of the plates and the, using them
18 for law enforcement. Conversely, you know, the West
19 Virginia new plate, I think it is, is very similar to
20 Pennsylvania's new plate in the sense that it has the same
21 color background.

22 Obviously, there's going to be a lot of those
23 around. But conversely, wouldn't it be then if there was
24 an owl plate out there and it was, some person witnessed a
25 crime committed and was able to get a partial off of, you

1 know, say, maybe three letters or something off of an owl
2 plate, they might not know that it was a Pennsylvania
3 plate.

4 They may say, I saw a 458 on an owl plate to
5 you. That would be much more readily visible to the person
6 seeing it that that's an owl plate. And you would then
7 know that you can run 458 on the owl plates and find it as
8 opposed to thinking, Well, you know, it was a Pennsylvania
9 plate when actually it was a West Virginia plate with 458
10 on it.

11 LIEUTENANT LYLE: That's true. However,
12 national standards are basically suggesting that each
13 region carry, as a matter of course, the identifying region
14 on the license plate, either top or bottom of that
15 registration plate, which would in essence eliminate what
16 you're saying because that would be highly visible as a
17 standard, standard item on a registration plate.

18 Now, with regards to what you're saying, yes,
19 that would definitely be an asset. How many other states
20 or locations, not just in the United States but Canada as
21 well, are carrying it out? In essence, what you're doing
22 is -- it could be done.

23 There's a lot of different things that can be
24 done using that criteria. However, the possibility of not
25 being able to recognize that because of the proliferation

1 of the owl or whatever the case might be is a far greater
2 disadvantage to the law enforcement.

3 MR. BUGAILE: Thank you.

4 MR. PARSELLS: Mr. Chairman, along those
5 lines -- and you mentioned the new plate is very visible
6 and it's been very good for identification purposes. As
7 you know, license plate frames are illegal in this state.
8 When you look at going to the fully reflectorized
9 technology -- and 3M is clearly limited in the color
10 schemes because of their reflective sheeting.

11 And our plate now, essentially with the
12 license plate frame, looks like about 80 percent of the
13 license plates in the country. Has that caused a problem
14 for you; and if so, are you enforcing the frame law?

15 LIEUTENANT LYLE: Well, frames per se aren't
16 illegal. It's the --

17 MR. PARSELLS: The obscuring of the license
18 plate.

19 LIEUTENANT LYLE: -- the obscuring of the
20 plate. And no, we are not enforcing obscuring because of a
21 frame. We are issuing written warnings, et cetera,
22 advising the motorist that there is a violation. However,
23 we are not actually using citation processes for that.

24 MR. PARSELLS: But you would agree that that
25 is a problem with the current design? (Pause.) That's

1 okay. Thanks.

2 LIEUTENANT LYLE: Thank you.

3 CHAIRPERSON GEIST: You're leading the
4 witness. You're the brain trust.

5 MS. SERIAN: I'm not too sure about that. I
6 think we heard a lot today. Marilyn and I have spoken
7 before and Deb and I have, other states as well. I think
8 one thing that I'd like to say for sure is that special
9 funds as they exist today from the Department's
10 perspective, using the entire canvas will just not be
11 acceptable to us, especially because of the concerns with
12 law enforcement and the concerns for identification.

13 We've got to look beyond what those were and
14 find some other different avenues that we might pursue. It
15 might be the specialty plate. It might be some type of
16 form or format that is like Maryland is using. And we have
17 talked about those kind of things.

18 But in using the entire canvas of the plate is
19 something that we just cannot support, and we have grave
20 concerns regarding that from an identification perspective.
21 A couple other things that I just want to echo, if I could,
22 Mr. Chairman.

23 We want to bring any type of our plates into
24 the family of plates. You heard Maryland refer to it as
25 their signature stock. I think that's probably a good

1 term. With the family of plates, with Pennsylvania clearly
2 at the top with an organization name at the bottom and
3 perhaps a small area on the left for a logo or a special
4 organization tag, that's probably something that we need to
5 look at and look closely at.

6 But we want them to maintain the background of
7 the colors the Pennsylvania plate now has. And that's
8 important because that brings our plates into what we'll
9 call the family of plates. And that is easily identifiable
10 as a Pennsylvania plate for law enforcement and for other
11 identification purposes.

12 And we still need to really look at the
13 responsibilities of the fund. I appreciate you reading
14 Barbara Hafer's letter. I believe the veto message
15 primarily was directed at administrative agencies, as she
16 said. We have to set up those funds and ensure that the
17 dollars go to the appropriate accounting mechanism and
18 transfer those then to the fund.

19 So there needs to still be, I believe, some
20 contribution to the risk and to the responsibility from the
21 fund in terms of them bearing some of those costs. Right
22 now, we're in the banking business. We're in the inventory
23 business.

24 And as you pointed out, Representative
25 Strittmatter, it is maybe not completely our core business.

1 But it's a part of our core business, and we have some
2 responsibility in that regard. But there needs to be a
3 greater responsibility on the fund.

4 And looking also at minimum sales. I think
5 Frank mentioned that. And if you look at the numbers, they
6 shrink considerably after the first year or so. And let's
7 just take the zoological plate as an example. That came
8 out in 4 of '96. And in 1996, it sold 54,000 plates; in
9 1997, 38,000 plates; in 1998, 24,000 plates; 1999, 12,000
10 plates; in 2000, 9,000 plates.

11 So you can see many of these funds, many of
12 these plates taking a very quick dive into, Are they really
13 marketable anymore? And the more saturation that there is,
14 the less, the less likelihood there is, I believe, for, for
15 revenue generation.

16 Frankly, in zoological plates, we're sitting
17 on \$100,000 worth of inventory. That's a pretty
18 substantial investment in terms of inventory as well. And
19 other plates sort of follow the same track as well. The
20 otter plate so far this year has sold, I think Frank said
21 2,800.

22 I have around 2,800 is the number as well.
23 And we're what, 3 months -- that was based on 3 months,
24 through March of the year. So if you extrapolate that out
25 through the rest of this year, who knows what -- sales also

1 may be less than they were. But for Frank's sake, I hope
2 they're not.

3 But we need to really, I think, give some
4 consideration at the fund bearing some of these
5 responsibilities. And we need to have a manageable
6 deployment. I will tell you that I believe 20 plates, 30
7 plates at one time, that's just not manageable for us in
8 terms of designing and deploying plates that look even like
9 this, especially right now since we're in the midst of a
10 major reissuance. We're replating our entire fleet.

11 We have one more year left on that, 4 more
12 million plates to go. So we have to balance the needs of
13 all these very good causes, very good causes with the
14 responsibility to handle other core business activities and
15 also the responsibility on what the Commonwealth's overall
16 role should be in these plates.

17 So I think we heard some good suggestions
18 today. Representative Strittmatter, we'll certainly take
19 what you said into consideration and look at that. Looking
20 at what Maryland does, Maryland has, I believe, over 500
21 plates, if I'm not mistaken; is that correct?

22 MS. ROGERS: Of the organization plates.

23 MS. SERIAN: Of the organization plates.

24 Maryland also centrally issues all those as we do with our
25 60-plus organizational plates. But all of our special fund

1 plates right now are available throughout all of our online
2 messengers and our other service sites, which really is
3 good for the customer because the customer wants to
4 purchase them there.

5 But it's certainly a concern from inventory's
6 perspective. So whatever we do I hope we can do together
7 in terms of trying to improve the overall special fund
8 specialty plate process within some very clear, consistent
9 and managing parameters. And one of those should be the
10 design.

11 I think we really have to look at what these
12 plates will look like in the future. Thank you, Mr.
13 Chairman.

14 CHAIRPERSON GEIST: Before we go to questions,
15 Jere just reminded me; and I think it's an excellent idea.
16 We've been waiting quite a while for the language that was
17 going to come from the Governor's office. And can we
18 expect that, you know, by summer so that we can come back?

19 We're going to come back with a bill one way
20 or the other. So I may be going for my third veto. But
21 we're going to do --

22 MS. SERIAN: Possibly.

23 CHAIRPERSON GEIST: And we'd like to have
24 everybody as a part of the team inside the tent. So as we
25 do this, we want visibility; and we want people to be able

1 to personalize. We want organizations to be able to raise
2 money.

3 And if that means rolling them over on a
4 yearly basis as been suggested, some of that stuff we need
5 to incorporate that in. And we would appreciate having all
6 of you help us with input with Eric and Paul and our staff.
7 And I'm going to conclude everything.

8 There's a couple questions that people have.
9 But I think we've covered a lot of ground here. I want to
10 thank everybody for participating. It's pretty complex
11 when you start dealing with this stuff. It's not an easy
12 and simple solution that everybody back home seems to have
13 a simple solution for it. But it works out that it's not
14 simple.

15 So Dana, I know you had a question. And I
16 think Eric had one question.

17 MS. ALWINE: Betty, as you and Frank talked
18 about the shrinking sales, the shrinking sales and the need
19 for inventory, I just want to clarify something I think I
20 heard from Frank. You said you had ordered how many of
21 these?

22 MR. FELDBAUM: 7.5 million.

23 MS. ALWINE: Okay. Now, we're talking about
24 shrinking sales and inventory problems. Why?

25 MR. FELDBAUM: Well, what happens is that

1 those are inserted as the registration form goes out to the
2 individual. So they're inserted daily. Each one --

3 MS. ALWINE: More as a sales mechanism?

4 MR. FELDBAUM: As a sales mechanism to keep
5 that in front of the license plate buyer. Maybe they got a
6 new car. Maybe they didn't get it in the first year of
7 issuance under the registration; and now this is another
8 reminder that the plates are out there and that they could
9 take a plate, the form to one of their local buyers or
10 license tag dealers.

11 MS. ALWINE: And your fear is if a sheet like
12 this has 20 plates on it, that's not going to be effective
13 as a sales mechanism?

14 MR. FELDBAUM: They have to insert that form.
15 And with their limited inserting capabilities, I don't know
16 if a multiple form -- because as the form picks up, it's
17 folded with sharp edges. And of course, if you have this
18 folded, it could, with an attachment of another one or a
19 longer one, I don't think it will insert into the
20 registration.

21 Then you have the postal charge going from 34
22 cents to probably 55 cents. And so that gets into another
23 cost factor. I'm not a paid employee of Transportation.
24 I've been the route, though, with Betty talking about these
25 in meetings since 1993. So these are some issues that also

1 have to be addressed.

2 MS. ALWINE: Well, just in comparison from
3 what they've told us from Maryland -- and I'd be interested
4 in maybe some statistics from other states, what type of an
5 inventory are the other states keeping -- I think Deborah
6 told us it's much less than Pennsylvania; and if there is a
7 need for more inventory, just simply go and get it; and
8 there's a 4- to 6-week waiting period.

9 And I'm wondering if that type of inventory
10 control could not be utilized by PennDOT to keep these
11 costs down. Rather than having a room full of blank
12 plates, why are we stockpiling so many if the numbers are
13 always diminishing?

14 MS. SERIAN: Primarily a function, Dana, of
15 ordering the material and ordering it at the best price.
16 And many of the funds think they'll have more sales perhaps
17 than they will. When we order the inventory, we order it
18 at a special price. And the more inventory that we can
19 order, the better price that we're going to get. So it is
20 a gamble.

21 MS. ALWINE: Well, I know that everybody who
22 shops at Sam's Club knows that you don't necessarily need
23 to buy in bulk all the time to save money if you're going
24 to end up wasting it later.

25 MS. SERIAN: Well, that's correct. And we've

1 got to be very careful about that. You're absolutely
2 right.

3 CHAIRPERSON GEIST: Let's wrap this up.

4 MR. BUGAILE: Just one question for Deborah
5 here. The general assembly in Maryland, obviously
6 that -- you had said that there's two commemorative plates
7 authorized. But wasn't it that the general assembly only
8 had one for a number of years?

9 MS. ROGERS: Yes.

10 MR. BUGAILE: And they, in statute, said that
11 it had to be one, right?

12 MS. ROGERS: Correct.

13 MR. BUGAILE: So it was the general assembly
14 who decided that they were going to issue a second plate?

15 MS. ROGERS: Correct.

16 MR. BUGAILE: And is it not in the general
17 assembly that there's other plates issued, or I mean bills
18 brought before the general assembly to have a multitude of
19 other plates like breast cancer awareness? I mean, isn't
20 that the fact?

21 MS. ROGERS: They're covered under our
22 organization plate program. And we brought a copy of our
23 statute today. For our commemorative plates, you have
24 to -- as well as for the organizations. But for the
25 commemorative plates, there is qualifying factors.

1 It has to be for education, environment,
2 space. And they have to meet that qualifying factor to
3 begin with. We also --

4 MR. BUGAILE: So you're going to see a lot of
5 legislation introduced in the general assembly then.
6 That's basically it, is that what you're saying?

7 MS. ROGERS: We have a lot of inquiries into
8 plates. But once they find out about the organizational
9 plate program, the majority are handled via that program.
10 And I didn't want to mislead you. As far as our inventory
11 goes for the commemorative plates, that is at, for both
12 these plates, for the Bay plate and the ag. plate, it's at
13 all of our field offices. All of our electronic
14 dealerships issue them.

15 I mean, it is a significant amount of
16 inventory. But the Chesapeake Bay plate was issued in
17 1991, and the farm plate will be issued this year in 2001.
18 So we're hoping that now is the time for another one. They
19 were not -- they're really -- people that have the Bay
20 plate have the Bay plate.

21 MS. SERIAN: And just, Dana, on your point, if
22 I just could, because Deb reminded me of it, and that is
23 the inventory issues. That's why we do have a lot of
24 inventory because all of these special fund plates are at
25 every one of our nearly 200 online messengers as well as in

1 our central office and our service center.

2 So we need to be able to react to all of those
3 needed areas as quickly as possible as well so we can get
4 them off the, over the counter. So there are some
5 balancing --

6 CHAIRPERSON GEIST: I want to thank everybody
7 for coming today. We are adjourned.

8 (Whereupon, at 10:50 a.m., the hearing
9 adjourned.)

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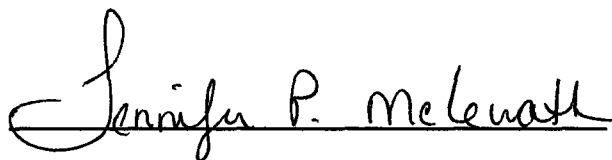
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1 I hereby certify that the proceedings and
2 evidence are contained fully and accurately in the notes
3 taken by me during the hearing of the within cause and that
4 this is a true and correct transcript of the same.

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11 JENNIFER P. McGRATH

12 Registered Professional Reporter

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17 My Commission Expires:

18 April 30, 2005

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