



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

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Kurt Myers
Deputy Secretary for Driver and Vehicle Services
PennDOT

Good morning. My name is Kurt Myers, and I am the Deputy Secretary for Driver and Vehicle Services at the Pennsylvania Department of Transportation (PennDOT). On behalf of Secretary Gramian, thank you for the opportunity to discuss the specialty and personalized license plate process and the proposed legislation.

The primary purpose of a license plate is to provide a visible and unique alpha-numeric identification for display in a uniform manner on each motor vehicle registered by PennDOT. Approximately two decades ago PennDOT, working in consultation with the Pennsylvania State Police started down a path to develop a process of uniformity in design of license plates to ensure clear identification of Pennsylvania issued license plates in support of law enforcement. The vast majority of Pennsylvania license plates issued today are part of the “family of plates” initiative with Commonwealth blue at the top, yellow at the bottom and white in between as the background. This initiative allowed for an area of approximately 3 by 3 inches on the left side of the license plate to be organization specific, which is utilized as part of the various license plate programs PennDOT has along with military and other special license plates. While there are still some old full canvas license plates in circulation, PennDOT is converting those to the “family of plates” initiative as they are replaced. Since the primary purpose of a license plate is identification, this uniformity is critical for law enforcement, motor vehicle and traffic safety, and other identification purposes such as toll enforcement. This proposed legislation would stop the “family of plates” initiative by bringing back full canvas license plates and reversing the decades of advancement the Commonwealth has made in clear license plate identification.

While PennDOT recognizes the potential for increased revenue with this proposed legislation, we cannot lose sight of the value to law enforcement and others that a clear and well-defined license plate offers in allowing vehicle identification and enforcement.

In addition, PennDOT’s Special Organization License Plate Program was established to issue organizations special registration license plates with their logo and name. The special organization license plates serve two purposes: the recognition of the vehicle owner as a member of the organization and the raising of money for organizations with special organizational license plates. For an organization to be eligible for the program it must be nonprofit; have a primary purpose of serving the community and contributing to the welfare of others; be based,



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

headquartered, have a chapter, or be licensed in PA; and not be offensive in purpose, nature, activity or name. There are currently 393 approved and active organizations in the program. In addition, vehicle owners may also personalize license plates. These two programs generate approximately \$1.6 million in revenue annually.

Furthermore, the proposed legislation would require PennDOT to contract out the specialty license plate and personalized vanity plate programs while not eliminating its current program. It would also create an auction for the purchase of personalized license plate configurations and allow a vendor to create designs of various color combinations and non-alpha numeric symbols without restriction unless necessary for law enforcement.

The proposed legislation would be costly to implement and require significant oversight by PennDOT, with no identifiable expectations of revenue amounts. PennDOT anticipates that program implementation would take approximately 37 months, as all motor vehicle systems would require a change as they all communicate together to provide needed information for motor vehicle functions such as titling and registration, financial responsibility, and accessible information to law enforcement in real time while on the road to name a few items. With the level of ongoing effort by PennDOT to manage the program as described in the proposed legislation, PennDOT estimates it would require two to four staff to manage and oversee the program, resulting in an additional \$100,000 - \$300,000 annually in operating cost. The time and cost to implement this proposed legislation would also pull staff away from PennDOT's current, multiyear initiative to modernize our motor vehicle systems applications.

PennDOT believes the language in the legislation is overly burdensome on the commonwealth, as it is too prescriptive in the contracting process, vague on the design and approval process and doesn't specify any level of compensation to the commonwealth. With PennDOT estimating nearly \$10 million to update systems to meet the requirements of this legislation, some identified or guaranteed revenue from the vendor should be required. In essence, the proposed legislation would give the vendor overarching authority on license plate design and complete authority on the distribution of profit from the program. The vendor would determine the amount to pay the commonwealth.

Lastly, the proposed legislation appears to conflict with other state laws. Section 1331(a) states that "Registration plates shall be provided by the Department." The bill as proposed would allow a private vendor to issue registration license plates. Also, Section 1331(d) states that "All registration plates, except temporary plates, shall be treated with reflectorizing material in accordance with standards approved by the department." The proposed legislation does not specify that the license plates must meet this requirement, and the proposal also fails to address the process by which the private vendor will be selected.

For the above reasons, PennDOT respectfully opposes this proposed legislation.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

Thank you for the opportunity to discuss. I would be happy to take any questions from the committee at this time.