



PAUL MELOTIK

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Testimony in Support of AB1041 Specialty License Plate Legislation

Chairwoman VanderMeer and members of the Transportation Committee,

I appreciate the opportunity to testify in favor of Assembly Bill 1041 which proposes the introduction of specialty license plates in the State of Wisconsin.

The origin of this legislation lies in a request from one of my constituents in the 24th assembly district. Upon further investigation, my staff uncovered the considerable success experienced by states like Minnesota and Iowa with similar specialty plates.

The Iowa specialty license plate, featuring white lettering over a black background, has become the state's most popular since its introduction in July of 2019. In the first 3 months they were available, over 46,000 plates were issued. To date, over 500,000 plates have been issued which means, approximately 12% of the state's total plates are this type of plate. Notably, Iowa has generated \$30.4 million in state revenue since the inception of these specialty plates in 2019.

Minnesota's recent launch of this specialty plate saw over 1,600 plates purchased in just the first two days of sales, underlining the widespread appeal of this design. Colorado's introduction of a "retro" design in 2023, including black and white plates, has also seen success, with approximately 16,000 plates issued as of January 5, 2024.

Under the proposed bill, the Department of Transportation (DOT) would retain \$23,700 or the actual initial costs of production from the voluntary payment moneys. The remainder would be deposited in the transportation fund for roads, bridges, and general DOT maintenance.

The financial impact on Wisconsin is significant. The \$25 issuance fee and \$25 annual renewal fee for the plates would contribute significantly to the state's finances. Given the escalating costs of road projects and bridge construction, the income generated from the sale of these plates could help in financing these essential infrastructure projects.

States such as California, Florida, Kansas, Mississippi, Texas, New York, Tennessee, Utah, and Washington have also successfully introduced similar specialty plates, all of which have experienced considerable success.

In conclusion, the proposed legislation aligns with the success observed in other states, offering a unique opportunity for Wisconsin to generate revenue and contribute to crucial DOT projects. I urge the committee to support Assembly Bill 1041 for the benefit of our state and its infrastructure.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Melotik", written over a horizontal line.

Representative Paul Melotik



WISCONSIN STATE SENATE

DAN KNODL

STATE SENATOR • 8TH DISTRICT

Assembly Bill 1041

Public Testimony

Assembly Committee on Transportation

February 6, 2024

Thank you Chairwoman VanderMeer and members for holding this hearing on Assembly Bill 1041.

This is a simple bill that adds a “blackout” specialty plate option for Wisconsin’s drivers. The idea for this bill came from a constituent of mine who saw how successful these plates have been in other states and suggested we try something similar here.

These plates would feature the registration number and the word “Wisconsin” in white lettering on a black background. This is a simple design that will likely appeal to a wide variety of vehicle makes, models, and colors.

In adopting this bill, Wisconsin will join our neighbors Iowa and Minnesota, who have recently introduced similar plates and where these plates have become extremely popular. With more drivers paying the additional issuance fee, Wisconsin’s roads stand to benefit.

I’d like to thank Representative Melotik for introducing this bill. Thank you for your time, and we would be happy to answer any questions you may have.



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Testimony of Wisconsin Department of Transportation
Assistant Deputy Secretary Joel Nilsestuen
Before the Assembly Committee on Transportation
February 6, 2024

Re: Assembly Bill 1041, relating to special registration plates with white lettering on a black background

Thank you, Chairwoman VanderMeer and committee members for the opportunity to provide testimony on Assembly Bill 1041, relating to special registration plates with white lettering on a black background.

This bill establishes a special group license plate with white lettering on a black background. The bill provides that, in addition to the required fees, special group members are required to make a voluntary annual payment of \$25 to be issued the special plates. Under the bill, WisDOT retains \$23,700, or the actual initial costs of production, whichever is less, from the voluntary payments for the initial costs of production of the special plates. The remainder of the voluntary payment amounts are deposited in the transportation fund.

These license plates are commonly referred to as 'Blackout' plates. The design is exceedingly popular in Iowa, where the plates have generated \$30 million in revenue. At the end of 2022, 450,969 black and white plates were in circulation. That's up from 237,981 in 2020 — a 90% increase. When Minnesota introduced the plates at the start of January of 2024, more than 1,600 were sold in the first two days. DMV anticipates a strong demand for these plates in Wisconsin, similar to the experience in Iowa and Minnesota. This would create a significant new fiscal burden on DMV to both manufacture and mail the plates.

The production costs of a Blackout plate are higher than a standard plate. Per the design specifications, the plate requires white painted letters over a black plate. In order for the white painted letters to provide complete coverage over the black plate, several coats of white paint are required. These and other extra production steps are required when utilizing white paint on black plates, which increases costs. Under the new pricing guidelines from the Department of Corrections, DMV anticipates a plate set (two plates) production cost of \$10, plus an additional \$4.35 if the license plates are mailed to the customer.

To cover this additional fiscal burden, the Department requires increased expenditure authority in DMV's operating appropriation as defined at s. 20.395(5)(cq). The exact dollar amount of expenditure authority needed and what will be generated by the new

plate fee is in development and will be published in the Department's fiscal estimate forthcoming later this week.

Thank you again for the opportunity to provide this written testimony. We would be happy to answer any questions you might have.

Daniel Tetzlaff
W197N12525 Prairie Ridge Ct.
Richfield, WI 53076

February 2, 2024

Rep. Nancy Vander Meer
State Capitol
Madison, WI 53708

Subject: Request for Approval of Blackout License Plates (2023 Assembly Bill 1041)

Dear Rep. Nancy Vander Meer,

I hope this letter finds you well. I am writing in support of 2023 Assembly Bill 1041 which is designed to add "blackout" license plates to the options that Wisconsin residents can choose from for their vehicles.

This is a "win-win" proposition in that it provides more choice to state residents while raising revenue voluntarily.

Approving blackout license plates will serve an aesthetic purpose, contribute to enhancing vehicle safety, and eventually help with the funding of other transportation projects and maintenance:

- The blackout license plates are a unique and stylish option that adds a touch of personalization to many vehicles. The sleek and modern design aligns with preferences for a clean and sophisticated appearance.
- The high-contrast design of reflective white characters on a black background often enhances readability, especially in various lighting conditions. This could aid law enforcement agencies in quickly and accurately identifying vehicles on the road.
- As the bill is drafted, the blackout license plates would cost an extra \$25 per year, and this additional revenue would be added to the state's transportation fund after the initial production costs are paid for.

For these and other reasons, blackout license plates have become increasingly popular among vehicle owners in neighboring states. Blackout license plates were recently approved by Minnesota and are already extremely popular in Iowa. In Minnesota, over 1,600 blackout plates were purchased in the first two days of availability. In Iowa, which introduced blackout plates in 2019, nearly 50,000 plates were issued within the first four months of availability. Since introduction, Iowa has raised over \$30 million in revenue voluntarily. Today, nearly 600,000 license plates (about 12% of all plates) in Iowa are blackout plates.

I appreciate your time and consideration of this bill. If necessary, I am available to provide additional information or address any concerns you may have. Thank you for your attention to this matter, and I look forward to a favorable response.

Sincerely,

Daniel Tetzlaff

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