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STATE SENATOR • 29TH SENATE DISTRICT

SENATE BILL 9

Senate Committee on Transportation and Local Government

May 6, 2025

This bill is pretty simple; it allows for the creation and use of black and white license plates in Wisconsin. More specifically, this bill establishes a special group for Wisconsinites wishing to have State of Wisconsin-issued license plates with white lettering on a black background. The bill also requires that plates display the word "Wisconsin" as well as the vehicle registration number. Further, the bill provides that, in addition to the required fees, special group members are required to make an additional payment of \$25 to be issued the special plates.

Under the bill, DOT retains \$23,700, or the actual initial costs of production, whichever is less, from the additional payment moneys for the initial costs of production of the special plates. The remainder of the additional payment amounts are deposited into the State's Transportation Fund.

Inspired by the success of this trend in Iowa and Minnesota, it is clear that the black and white plates have the potential to be a tremendous asset for our state. Looking at the impressive figures from the Iowa Department of Transportation, where black and white plates have generated over \$30 million in revenue, it becomes evident that this initiative is not only popular, but also economically beneficial. The recent launch of black and white plates in Minnesota, where over 1,600 plates were purchased in just the first two days of sales, further underscores the widespread appeal of this design.

As noted above, specialty plates cost \$25 more than the standard version. Additionally, there is a \$25 annual renewal fee for these plates. The bill includes a provision to allocate a portion of the additional payment to cover the initial production costs, while the remaining amount is deposited into the Transportation Fund. This showcases a considerate approach to handling the financial aspects of the initiative.

Not only will these plates bring a sense of unity and pride among vehicle owners, but it also has the potential to contribute significantly to the state's revenue. Let's make Wisconsin's roads more stylish and iconic with the introduction of black and white license plates.





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Testimony in Support of AB28 / SB9 Specialty License Plate Legislation

Thank you to the committee for holding a hearing this bill.

I appreciate the opportunity to testify in favor of Assembly Bill 28 / Senate Bill 9 which proposes the introduction of black and white specialty license plates in the State of Wisconsin.

The origin of this legislation lies in a request from one of my constituents in the 22nd 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 28 and Senate Bill 9 which for the benefit of our state and its infrastructure.

Thank you for your time and consideration.

Sincerely,

Representative Paul Melotik - 22nd District



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To: Chairman Tomczyk and members of the Committee

From: Joel Nilsestuen, Assistant Deputy Secretary

Date: May 06, 2025

RE: Senate Bill 9 relating to special registration plates with white lettering on a black background.

Thank you, Chairman Tomczyk and members of the committee for your consideration of the department's input on Senate Bill 9.

This bill establishes a special group for persons wishing to have registration plates with white lettering on a black background and displaying the word "Wisconsin" and the registration number assigned to the vehicle, commonly referred to as "Blackout" plates. Special group members will pay a standard one-time \$15 issuance fee and are required to make a voluntary annual payment of \$25 to be issued the special plates, which is to be deposited into the Transportation Fund. Please note the Governor's Executive Budget includes provisions for a black out plate.

Under the current bill, DOT 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. However, the bill does not appropriate that funding to the Department. That would leave the \$23,700 or actual costs of production, whichever is less, in limbo without a mechanism for DOT to access that funding.

Assuming the plate design follows DOT's standard special group plate design, the estimated development cost to DMV is \$9,000. Cost includes approximately \$8,300 for data processing system modifications, and \$700 for graphic design. This cost is incurred before any plates are sold, and regardless of how many plates are sold. Additional one-time costs can be incurred by the Department for special group plates with eligibility requirements or multiple decals.

In Iowa a similar 'blackout' plate is available to the driving public. Demand for the blackout plates is approximately 160,000 new plates annually. When adjusted for Wisconsin's larger fleet, it is estimated that demand for the new plate will be approximately 215,000 sets annually, generating revenues of \$3,225,000 from the one-time issuance fee and \$5,375,000 from the \$25 annual fee that are completely voluntary for customers.

Based on Iowa's experience, it is estimated that in three years the number of these special plates on the road will be approximately 570,445 generating \$14,261,100 in annual revenue to the Transportation Fund from the \$25 annual fee.

The Department anticipates it would take nine months to fully implement the bill. The estimated cost to produce and issue a set of these plates is \$16 for each initial issuance, making the estimated annual cost of issuance \$3,440,000. The current proposal does not include an increase to DMV's budget authority to use money collected from the \$15 issuance fee to cover these costs and the DMV funding appropriation cannot absorb the additional costs.

The Department recommends the following changes to Senate Bill 9:

- Increase the Division of Motor Vehicles' expenditure authority in appropriation s. 20.395(5)(cq), Wisconsin Statutes, by \$3,440,000 annually to be able to fund the new expenses for plate production and issuance.
- Add a 9-month delayed effective date to launch the development and production of the new license plate.

Thank you again for your time and the opportunity to testify today. I would be happy to answer any questions you might have.