

General Procedures of the Legislative Oversight Committee on License Plates

1. As provided under Section 32-6-67, Code of Ala. 1975, the Legislative Oversight Committee (LOC) on License Plates was created to oversee the implementation and administration of Article 2, Chapter 6 of Title 32, relating to “License Tags and Plates”. The LOC shall establish guidelines for the qualification of organizations which may sponsor a new or continued issuance of a license plate category or may benefit from that issuance. The LOC shall not consider for approval applications from the following types of organizations:
 - a. Private businesses, business organizations, or commercial entities of any type.
 - b. Public schools K-12, private or proprietary two-year colleges, and private or proprietary technical schools, exclusive of the Helping Schools Tag as established in Sections 32-6-300 and 32-6-301.
 - c. Groups within high schools, junior colleges, universities, and technical schools, such as band boosters, athletic boosters, and the like without the express written permission of the high school, junior college, university, or technical school.
 - d. Unions.
 - e. Political organizations.
 - f. Religious organizations.
 - g. Groups that promote racial or social disharmony.
 - h. Public officials.

2. As provided under Section 32-6-64, Code of Ala. 1975, the sponsoring organization shall apply to the Department of Revenue (Revenue) for approval for the proposed distinctive license plate from the LOC. The Application for a New Distinctive License Plate Category (form MVR 32-6-64) should be completed and returned to Revenue with the following:
 - a. Completed form MVR 32-6-64
 - b. Distinctive license plate design (see attached Alabama License Plate Design Specifications) for a passenger and motorcycle license plate.
 - c. Internal Revenue Service (IRS) letter reflecting that the organization is a non-profit organization in accordance with Section 501(c)(3) of the U.S.C. The requirement does not apply to out of state colleges and universities.
 - d. Written permission for copyright design to appear on license plate.
 - e. In order to receive proceeds from pre-commitment purchases and sales of the distinctive license plate, the sponsoring organization must register as a State of Alabama Vendor in the State of Alabama Accounting and Resource System (STAARS) via <https://procurement.staars.alabama.gov>. For questions and assistance with registration, please contact the STAARS helpdesk at (334) 353-9000, listen to the prompts-select 2, then you will be listening for Vendor Self Service or VSS.
 - f. Copy of organization membership card, if required. The sponsoring organization must represent the entire membership of the state. No subgroups of chapters may sponsor a distinctive license plate.
 - g. Application fee for new distinctive license plate category - \$65.00.

Revenue will review the package and will notify the organization if additional information is required. A complete package must be received by Revenue before the application can be placed on the LOC agenda for consideration.

3. Sample license plates will be manufactured by Alabama Correctional Industries (ACI), a division of the Alabama Department of Corrections. The samples will be provided to the organization for review and approval. Any changes to the sample must be submitted to

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Revenue in writing. The organization must sign the reverse side of the approved sample license plates and return the samples to Revenue.

4. The approved samples will be provided to the Alabama Law Enforcement Agency (ALEA) for reflectivity and visibility testing. The results of the testing shall be provided on the License Plate Legibility Test Form (MV 32-6-57). If the license plates do not meet the reflectivity and visibility requirements, the license plate design must be amended.
5. When an LOC meeting is scheduled, the organization will be notified regarding the date, time, and place of the meeting. During the meeting, the organization will present their license plate design and proposed use of funds from the sales of the distinctive plate. The LOC will approve, disapprove, or postpone a decision regarding an application.
6. If the application is approved, the organization has a one-year period to receive the minimum number of commitments to purchase for the quantity class selected by the organization on the distinctive license plate application. As provided under Section 32-6-64, Code of Ala. 1975, the minimum number of commitments to purchase for each quantity class is: at least 250 for Quantity Class 1, and at least 1,000 for Quantity Class 2.
7. Revenue will make the license plate pre-commitment application available to supporters through the online Commitment to Purchase License Plate Portal: <https://precommit.mvtrip.alabam a.gov>. Information available to potential purchasers will include:
 - a. Name of sponsoring organization
 - b. Contact information for sponsoring organization
 - c. Limitations and required documentation, if any, for who may purchase a tag pre-commitment
 - d. Adequate description of sponsoring organization
 - e. Statement of how proceeds from tag will be used

Applicants will complete the online application, remit payment via credit card and receive a commitment to purchase receipt.

8. Upon LOC approval, the State Comptroller will set up an escrow account to deposit funds for each distinctive license plate category. Once the required number of pre-commitments has been received, or the pre-commitment period has expired, the State Comptroller will disburse the funds to the organization or general fund depending on the type of organization. Should the organization receive the required number of pre-commitments, an IRS Form W9 (Request for Taxpayer Identification Number and Certification) must be provided to the State Comptroller's Office at 100 North Union Street, Suite 278, Montgomery, AL 36104.
9. If the minimum number of pre-commitments, based on the quantity class selected, has not been met within the one-year pre-commitment period, no further pre-commitments will be accepted, and any funds will be disbursed to the organization. The sponsoring organization may not submit another application for a distinctive license plate for a period of one year from the end of the pre-commitment period. Any decision regarding the refund of pre-commitment purchases to individuals is made by the organization.
10. If the sponsoring organization is successful in obtaining the requisite number of pre-

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commitments, license plates will be made available for order through the license plate issuing officials offices and a pre-commitment redemption voucher will be emailed to the applicant. The redemption voucher must be presented to the licensing official in order to obtain the license plate.

11. If an organization selected Quantity Class 2 status (1,000 pre-commitments) and does not receive the required number of pre-commitments within the one-year pre-commitment period but does receive the required number of pre-commitments for Quantity Class 1 status (250 or more pre-commitments), the organization may change its application to Quantity Class 1 status and submit a new generic license plate design.
12. New distinctive license plates are printed on demand when ordered and are not maintained in licensing offices. Distinctive license plates may be personalized at no additional charge. The licensing official will issue a 60-day temporary tag to be displayed on the vehicle until the metal license plate is manufactured and shipped to the registrant. If the license plate is purchased or redeemed prior to the registrant's designated renewal month, the annual additional fee for the distinctive license plate must be paid again at renewal.
13. In accordance with Section 33-5-11, Code of Ala. 1975, organizations may elect to participate in the distinctive vessel program allowing supporters to purchase a pair of one-year distinctive vessel identification stickers for boats provided the distinctive license plate category is successfully created. All questions regarding this distinctive vessel program should be directed to the Alabama Law Enforcement Agency (ALEA).
14. In accordance with Section 32-6-64, Code of Ala. 1975, the sponsoring organization can make an annual request to Revenue for a listing of owner authorized opt-in disclosures for registrants who obtained the organization's distinctive license plate. The opt-in list shall contain the owner name, owner address, and owner email address, if applicable. Sponsoring organizations are prohibited from the resale or disclosure of the information to third parties without written consent from the owner to whom the information pertains.
15. All proceeds received from the sale of license plates must be used within the state and must be used to offset costs associated with equipment, materials, and /or services used in meeting the goals and objectives of the sponsoring organization's programs. The following is a list of prohibited uses of the net proceeds. The list is not all inclusive.
 - a. Sponsoring organization's employee salaries or benefits
 - b. Office rental
 - c. Utilities
 - d. Royalties
 - e. Capital expenditures
16. All sponsoring organizations with distinctive license plates subject to review of the LOC shall submit to the LOC an annual report on the use of proceeds from the sale of distinctive license plates for the previous calendar year (form LOC-1) no later than June 1st. Out of state colleges and universities are exempt from the filing requirement since proceeds from the sale of these license plates are distributed to the state general fund. Effective June 1, 2022, the annual report shall include a copy of the annual form 990 or form 990-EZ filing with the IRS for the previous tax year. Non-compliance may result in disqualification of the sponsoring organization's participation in the distinctive license plate program. Upon request and if all other requirements are met, the LOC may for good cause grant a temporary

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extension of the filing the annual report, including the annual form 990 or form 990-EZ filing with the IRS, for the sponsoring organization and grant provisional approval for continued participation in the license plate program. The sponsoring organization's provisional approval is conditional upon filing the required records by the agreed upon date of extension. Failure to file the required records by the granted extension date may result in disqualification of the sponsoring organization's continued participation in the distinctive license plate program.

17. As provided under Section 32-6-64, Code of Ala. 1975, every five (5) years the sponsoring organization shall apply to Revenue for approval for the reissuance of a distinctive license plate category from the LOC. The Application for Reissuance of a Distinctive License Plate Category (form MVR 32-6-64R) should be completed and returned to Revenue at the address provided on the application the proposed license plate design and supporting documents, as outlined below:
 - a. Completed form MVR 32-6-64R
 - b. Distinctive license plate design if changing from current design (see attached Alabama License Plate Design Specifications). The Commissioner of Revenue, with the approval of the LOC, may authorize a license plate design to be valid for more than five (5) years if requested by the sponsoring organization in accordance with Section 32-6- 62, Code of Ala. 1975.
 - c. Written permission for copyright design to appear on license plate (if necessary).

The minimum number of registrations must be issued during the 5th year in order for the distinctive license plate category to continue. During reissuance, the organization may elect to increase or decrease to a different distinctive license plate Quantity Class depending on the minimum number of registrations issued during the 5th year.

18. The sponsoring organization should notify Revenue regarding any changes to the sponsoring organization's information (name, address, email, etc.).

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