### SENATE COMMITTEE ON TRANSPORTATION

# Senator Lena Gonzalez, Chair 2023 - 2024 Regular

**Bill No:** SB 608 **Hearing Date:** 4/11/2023

**Author:** Becker **Version:** 2/15/2023

Urgency: No Fiscal: Yes

Consultant: Jacob O'Connor

**SUBJECT:** Child health and safety: "Have a Heart, Be a Star, Help Our Kids"

license plate program

**DIGEST:** This bill increases the fees for issuance and renewal of "Have a Heart, Be a Star, Help our Kids" license plates and revises allocation of funds derived from that program. This bill reduces the percentage provided to the California Department of Social Services Community Care Licensing Division and increases the allocation of funds to childcare safety and health and First 5 county commissions.

#### **ANALYSIS:**

### Existing law:

- 1) Establishes the "Have a Heart, Be a Star, Help Our Kids" (Kids' Plate) special interest license plate program. These plates are distinguished by the inclusion of a well which is imprinted with a heart, star, hand, or plus sign shape. (Vehicle Code §5072)
- 2) Requires an additional fee of \$50 for the initial issuance of the specialized Kids' plate with custom a character sequence, \$45 for their renewal, \$35 for their replacement if they become damaged, and \$15 for the transfer of the special license plates to another vehicle.
- 3) Requires an additional fee of \$50 for the initial issuance of the specialized Kids' plate with character sequence assigned by the Department of Motor Vehicles (DMV), \$20 for their replacement if they become damaged, and \$15 for their renewal or transfer to another vehicle.
- 4) Specifies that the net revenue derived from these fees shall be deposited in the Child Health and Safety Fund.

SB 608 (Becker) Page 2 of 6

5) Requires that moneys for the Child Health and Safety Fund shall be derived from the Kids' Plate program and that civil penalties on child day care facility providers shall be deposited into this fund. Requires that revenue to be allocated as follows: (Welfare and Institutions Code §18285)

- a) 50 percent, plus \$501,000, to the California Department of Social Services (CDSS) for childcare licensing and administration;
- b) 25 percent to CDSS for child abuse prevention, 90 percent of which is deposited into the county's children's trust fund while the remainder is deposited in the State's Children's Trust Fund; and
- c) 25 percent to support prevention education, training, and technical assistance on a specified list of thirteen childhood unintentional injury areas.
- 6) Requires the directors of the Department of Motor Vehicles and CDSS to annually make a determination whether the total annual receipts for the Kids' Plate program is sufficient to cover these priorities and programs and, if so, for CDSS to implement that priority or program. (WIC §18285.5)

#### This bill:

- 1) Raises the fee for a Kids' Plate special license plates from \$50 to \$90 for issuance of a personalized plate and from \$40 to \$80 for renewal of a personalized plate.
- 2) Raises the fee for a Kids' Plate with a character sequence assigned by DMV from \$20 to \$40 for issuance of a license plate and from \$15 to \$30 for renewal.
- 3) Adds injuries related to mental health to the list of unintentional childhood injury areas.
- 4) Changes the allocation of the funds collected from the program to be distributed as follows:
  - a) 5 percent of the funds shall be allocated to the California Department of Public Health (CDPH) for injury prevention;
  - b) 20 percent of the funds shall be allocated to First 5 county commissions that elect to receive and utilize the funding. These monies shall be

SB 608 (Becker) Page 3 of 6

distributed in various shares related to the population of each county in order to carry out programs that address the fourteen unintentional childhood injury areas;

- c) 50 percent of the funds shall be allocated to childcare safety and health. These funds shall be distributed in various percentages based on county population; and
- d) 25 percent of the funds shall be available for appropriation by the Legislature for child abuse prevention programs.

### **COMMENTS:**

- 1) Purpose of bill. According to the author "The Kids' Plates specialty vehicle license program provides critical funding to essential local commissions and state departments committed to children's safety. However, the Kids' Plates Program has not been updated since its creation in 1992 despite the needs of the communities it serves changing and growing. The Kids' Plates funding formula has caused it to fall behind the funding levels of every other specialty license plate program. As a consequence, only 15 counties have successfully accessed these funds in the last two years. Updating the Kids' Plates program is necessary to provide county and local commissions accessible funding to support their childcare safety, health licensing, and educational programs. SB 608 will modernize the Kids' Plates Program by increasing the Kids' Plates issuance and renewal fees, addressing new health concerns within the program, and directly supporting local and county commissions for child abuse prevention programs, childhood injury prevention, and childcare safety and health. By doing so, SB 608 reinvests in California's children, and those that are working hard to care for them."
- 2) *The Kids' Plate Program*. Established in statute in 1992, the Kids' Plates Program allows vehicle owners to purchase specialized license plates that contain an embossed heart, hand, star, or plus sign. Fees collected from issuing these plates goes into the Child Health and Safety Fund and is used to support three significant child health and safety issues in California: 1) unintentional childhood injuries; 2) child abuse; and 3) childcare licensing and inspection. According to the DMV, there were 71,088 Kids' Plates renewed in Financial Year 2021-2022 and 5,506 new plates issued. The program raised \$3,225,844 in revenue during that time.

SB 608 (Becker) Page 4 of 6

Currently, the first 50 percent of the Kids' Plate revenue plus an additional \$501,000 is dedicated to support Child Care Licensing responsibilities for child care licensing as follows: site visits, monitoring of the child care advocate program, training for investigative and licensing staff, other aspects of the child care advocate program and the salary of the chief of the child care licensing branch.

Up to 25 percent of the remaining funds support child abuse prevention efforts lead by the counties and CDSS. CDSS may, as necessary, fund appropriate administrative costs. Counties are required to use these monies to fund child abuse and neglect prevention and intervention programs operated by private nonprofit organizations or public institutions of higher education with recognized expertise in fields related to child welfare. Funds are also used to support counties' Child Abuse Prevention Coordinating Councils.

The rest of the funds support CDPH-run programs that address injury prevention, education, training, and technical assistance on a specified list of fourteen childhood unintentional injury areas.

This bill proposes major changes to where the Kids' Plate program funds will go. CDSS will no longer receive any funding from this program. First 5 county commissions would get funds as well as counties for childcare safety and health programs.

- 3) *First 5 California*. In 1998, California voters passed Proposition 10, adding a 50-cent tax to each pack of cigarettes sold to create First 5 California. First 5 California is a comprehensive system of education, health services, childcare, and other programs. It is dedicated to improving the lives of California's children. Since its creation, First 5 California has brought these critical services to millions of parents, caregivers, and children ages 0 to 5. First 5 California distributes funds to local communities through the state's 58 individual counties, all of which have created their own local First 5 county commissions. The amount of funding provided to each First 5 county commission is based upon the area's birth rate.
- 4) *Kids' Plate revenues not meeting demand*. The Unintentional Injury Policy and Program Section of CDPH oversees and administers part of the money annually appropriated under the current Kids' Plate program. According to their website, due to high demand and limited amount of available funding, entities that had previously received Kids' Plates funding in Fiscal Year 2018- 2020 were not eligible to apply for funding for Fiscal Year 2021-2023. If the increased fees proposed in this bill do not decrease the number of applicants to the Kids' Plate

SB 608 (Becker) Page 5 of 6

program, it would increase the funds available and allow previously funded entities to again be funded.

- 5) Comparing prices. The DMV offers several other special interest and environmental license plates with fees benefiting a variety of programs including the Lake Tahoe Conservancy, the Firefighter's Memorial Fund, and the California Arts Commission. While this bill would increase the fees of the Kids' Plate program, those fees would still be lower than the majority of other specialized license plates. For most license plates with custom character strings, the fee for initial personalized plates is \$103, and renewals is \$83. For special interest license plates with character sequences assigned by the DMV, the fee for initial plates is usually \$50, and renewals are \$40. By increasing the fees but keeping them below the cost of other, similar, plates the author hopes to avoid decreasing the number of people applying for plates while increasing the amount of revenue per plate. Because this bill has not yet been analyzed by a fiscal committee, it is unclear how raising fees in any amount may impact the total number of dollars collected through the Kids' Plate program.
- 6) *Double Referral*. This bill was double-referred to the Senate Committee on Human Services where it was heard on March 20, 2023 and passed 5-0.

#### **RELATED LEGISLATION:**

**SB 374 (Ashby)** – Would increase the fee for a renewal of a California a firefighter specialized license plate from \$35 to \$40. *This bill is pending in the Senate Appropriations Committee*.

**AB 378 (Grayson)** – Would extend the deadline for receipt of the required number of paid applications for California Legacy special interest license plate designs that did not receive the required number of applications of January 1, 2025. *This bill is pending in the Assembly Appropriations Committee*.

**AB 1336 (Smith, Chapter 47, Statutes of 2019)** – Added pedestrian safety, sleep suffocation, and sports-related concussion to the list of childhood unintentional injury areas the Child Health and Safety Fund tries to address.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: No

Unknown

**POSITIONS:** (Communicated to the committee before noon on Wednesday, April 5, 2023.)

SB 608 (Becker) Page 6 of 6

## **SUPPORT:**

California Coalition for Children's Safety and Health (Sponsor) Children's Advocacy Institute Center for Public Interest Law (Sponsor) Association of California Life & Health Insurance Companies First 5 Association of California Lucile Packard Children's Hospital - Stanford Children's Health Safe Moves

## **OPPOSITION:**

1 private citizen

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