

Date of Hearing: April 20, 2026

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Isaac G. Bryan, Chair

AB 2734 (Hart) – As Amended April 6, 2026

**SUBJECT:** Vehicles: special interest license plates

**SUMMARY:** Revises the formula for how funds from the Whale Tail environmental specialty license plate are allocated.

**EXISTING LAW:**

- 1) Authorizes an organization to apply to the Department of Motor Vehicles (DMV) for participation in a special interest license plate program and requires the DMV to issue special license plates if the sponsoring organization meets specified criteria, including securing 7,500 applications within 12 months of the effective date of the enactment of the specific legislation enabling the organization to participate in the program. (Vehicle Code (VC) 5060)
- 2) Defines “environmental license plates” as license plates or permanent trailer identification plates that have displayed upon them the registration number assigned to the passenger vehicle, commercial motor vehicle, motorcycle, trailer, or semitrailer for which a registration number was issued in a combination of letters or numbers, or both, requested by the owner or lessee of the vehicle. (VC 5103)
- 3) Pursuant to VC 5087:
  - a) Requires the DMV, in consultation with the California Coastal Commission, to design and make available for issuance special environmental design license plates to bear a graphic design depicting a California coastal motif. Authorizes any person, upon payment of the additional fees, to be issued a set of special environmental design license plates.
  - b) Requires the additional fees for the special environmental design license plates to be deposited in the California Environmental License Plate Fund (ELPF).
  - c) Requires the DMV, after deducting its administrative costs, to deposit the additional revenue derived from the issuance, renewal, transfer, and substitution of special environmental design license plates as follows:
    - (1) One-half in the California Beach and Coastal Enhancement Account established in the ELPF. Requires, upon appropriation by the Legislature, the money in the account to be allocated by the Controller as follows:
      - (a) First to the Coastal Commission for expenditure for the Adopt-A-Beach program, the Beach Cleanup Day program, coastal public education programs, and grants to local governments and nonprofit organizations for the costs of operating and maintaining public beaches related to these programs.
      - (b) Second, from funds remaining after the required allocation in (a), to the State Coastal Conservancy for coastal natural resource restoration and enhancement

projects and for other projects consistent with the provisions of the State Conservancy's governing statutes.

- (2) One-half in the ELPF.
- 4) Requires, in addition to the additional fees pursuant to VC 5087, an applicant to be charged the additional fees for environmental license plates and those fees are deposited into the ELPF. (VC 5106)
  - 5) Establishes the California Environmental Protection Program and establishes the eligible funding expenditures concerned with the preservation and protection of California's environment. (Public Resources Code 21190)

#### **THIS BILL:**

- 1) Requires, after deducting its administrative costs, the DMV to deposit the additional revenue derived from the issuance, renewal, transfer, and substitution of special environmental design license plates on or after January 1, 2027, as follows:
  - a) One-half in the California Beach and Coastal Enhancement Account within the ELPF. Requires, upon an appropriation by the Legislature, the moneys in the account to be allocated by the Controller to the Coastal Commission for expenditure for the Whale Tail Grants Program, the Adopt-A-Beach program, the Coastal Cleanup Day program, and other coastal public education programs.
  - b) One-half in the Coastal Access Account within the State Coastal Conservancy Fund for support of the State Coastal Conservancy's (SCC) Explore the Coast grants.

**FISCAL EFFECT:** Unknown

#### **COMMENTS:**

- 1) **Whale Tail plate.** The Whale Tail License Plate is an official specialty license plate issued by the DMV. Proceeds from sales of the plate benefit the Coastal Commission's Adopt-A-Beach Program, California Coastal Cleanup Day, and a wide variety of environmental projects throughout the state.



The cost is \$50 for a standard numbered plate and \$103 for a plate with a personalized message. The majority of the cost and the entire annual renewal fee (\$40 for the standard plate and \$83 for a personalized plate) is tax deductible.

For nearly 20 years, in addition to contributing a majority of its revenue to the ELPF, the Whale Tail was also the highest selling specialty plate in the state. Even though the Coastal Commission only received 25-30% of the revenues, sales volume generated enough funding to cover the grants and other program costs.

About a quarter of a million plates have been issued over the program's 20-year history with revenues totaling more than \$35 million. The funding, after subtracting the DMV's

administrative costs, is divided evenly between the California Beach and Coastal Enhancement Account and the ELPF.

- 2) **Environmental License Plate Fund (ELPF).** The ELPF was established in 1979 as a depository for revenues collected from personalized license plates to fund various natural resources and environmental protection-related programs.

The Environmental Protection Program (Program) is funded by the ELPF to support projects preserving and protecting the environment, including control and abatement of air pollution generated by motor vehicles, preservation and restoration of ecological reserves, environmental education, and protection of threatened species. The Secretary of the Natural Resources Agency (NRA) is responsible for development of the Program and determining its priorities.

Many, but not all specialty license plates contribute a portion of their revenues to the ELPF. Only the Whale Tail plate and the Yosemite plate contribute 75% of their revenues to the ELPF. The statutory frameworks for other specialty plates have more equitable terms, allowing the sponsoring organization to retain 50% - 100% of their total revenue.

All sponsored specialty plates created since 2002 retain all their specialty plate base fees (which is usually about 50% of total revenue) for the sponsoring organization for which the plate was established (apart from a small administrative fee to the DMV), and allocate all of the personalization revenue to the ELPF for an average 50-50 revenue share. The sponsoring organizations of some plates, such as Kids, Memorial, and Veterans retain 100% of their revenue, both special plate fees and personalization fees (minus the DMV charges). The Legacy Plate has no sponsoring organization. *All* of its specialty fees are deposited into the ELPF.

The popular black and yellow “Legacy” plate was authorized in 2012 (AB1658, Gatto) and hit the streets in 2015. The Legacy Plate has no sponsoring organization, so 100% of its revenue goes into the ELPF. The Legacy plate rocketed to popularity immediately, outselling the Whale Tail by nearly double in the first year. The plate has proved so popular with California motorists that in 2025 it outsold all the 13 other specialty plates combined by nearly five times. In 2025, California drivers purchased 66,480 Legacy plates and generated more than \$46.8 million for the ELPF.

The Legislative Analyst’s Office (LAO) reports<sup>i</sup> that the ELPF has experienced periodic fund condition challenges in the past. Most recently, a structural imbalance has emerged related to both expenditures and revenues. ELPF revenues have been relatively flat over the past few years. Notably, the administration indicates that when it proposed augmentations in expenditures to the fund in recent years, it assumed that revenues from additional license plates would increase sufficiently to support both those new costs and the rising costs of existing activities. However, the revenue growth the administration had anticipated has not yet materialized. The administration estimates the fund will have an annual gap of approximately \$9 million between existing revenues (~\$67 million) and current expenditures (~\$76 million).

NRA is identifying stopgaps, including working on expanding the pool of available license plates—such as through partnerships with National Football League team foundations on specialized plates—to attract additional customers who do not yet have a specialized plate

and thereby generate additional revenue for ELPF. The 49ers football team<sup>ii</sup> sponsored a specialty license plate through the Natural Resources Agency, and the DMV has received 7,500 deposits for the plate and will begin issuing them shortly. The Los Angeles Rams have expressed interest in doing the same, which would further augment the ELPF bottom line.

- 3) **Revising the allocation formula.** This bill would divide the license plate fees evenly with 50% for the California Beach and Coastal Enhancement Account for appropriation to the Coastal Commission for expenditure for the Whale Tail Grants Program, the Adopt-A-Beach program, the Coastal Cleanup Day program, and other coastal public education programs, and the other 50% for the Coastal Access Account for the State Coastal Conservancy's Explore the Coast grants.

Because this reformulation is redirecting more money to the Coastal Commission for its programs (since 50% would no longer split with Coastal Conservancy), and directing the 50% currently allocated to ELPF instead to the Coastal Conservancy, there will be a reduction in revenues for the ELPF, likely exacerbating the concerns raised by the LAO.

The effect of the state's most popular specialty plate contributing 100% of its revenues to the ELPF has generated record funding levels, which continue to increase annually. Meanwhile, the Whale Tail plate still contributes approximately  $\frac{3}{4}$  of its relatively minor amount of revenue to the fund, while retaining only  $\frac{1}{4}$  to support Whale Tail grants, staff and program overhead. The amount of Whale Tail funding contributed to the ELPF has now become relatively insignificant to the ELPF, but it could provide a critical lifeline for the Whale Tail grant program.

- 4) **California Beach and Coastal Enhancement Account.** Fifty percent of the funds under this bill would be deposited into the Account for the following programs:
- **Whale Tail Grants Program.** These grants fund projects that support experiential education and stewardship of the California coast and its watersheds, with an emphasis on engaging communities that have less access to such opportunities due to systemic and geographic barriers. From 1998 to 2025, the Whale Tail Grant program has distributed \$25.5 million to 1,074 grants. The local government grants funded under the current statutory framework are supported through the broader Whale Tail Grants Program, so this bill maintains funding for those grants.
  - **Adopt-A-Beach program.** Heal The Bay's adopt-a-beach program is funded solely through the license plate program, allowing the organizing to conduct more than 400 cleanups in the Santa Monica Bay. Those beach cleanups get people hand picking the tiny pieces of trash that beach maintenance crews are just unable to collect at that scale.
  - **Coastal Cleanup Day program.** This annual event brings together thousands of volunteers to clean beaches and waterways, contributing to the overall effort to keep the coast clean and healthy. Coastal Cleanup Day is the updated name for what used to be called Beach Cleanup Day; this funding remains unchanged under this bill.
- 5) **State Coastal Conservancy Fund.** The other 50% of the funds would be allocated to support of the State Coastal Conservancy's Explore the Coast grants. Since 2016, the Coastal Conservancy has awarded more than 350 grants through the Explore the Coast program,

totaling more than \$19 million. These grants have helped an estimated 388,000 people access and enjoy the coast, often for the first time. Examples of Explore the Coast grants include:

- The Amah Mutsun Land Trust’s Summer Camp provides Native American youth meaningful and fun experiences to enjoy their coastal ancestral territory on the San Mateo and Santa Cruz coast while learning about coastal conservation and traditional ecological knowledge.
- Salted Root’s Community Soul Surfer Program offers surfing lessons, history, and ocean education for women and girls who identify as Black, Indigenous, or people of color primarily from Alameda and other Bay Area Counties.

#### 6) Author’s statement:

AB 2734 will strengthen coastal access and education programs by creating a more sustainable funding structure for Whale Tail License Plate revenue. California’s Whale Tail grants and Explore the Coast grants help ensure that all Californians have access to all the physical and mental benefits of spending time outdoors and engaging with California’s natural resources. Yet under current law, only 25% of the Whale Tail revenue goes to these funds, leaving underserved and barrier-facing communities with fewer opportunities to access the coast. AB 2734 updates that structure by splitting new revenues evenly between the California Coastal Commission’s Whale Tail Grant Program and the State Coastal Conservancy’s Explore the Coast grants, ensuring the revenue from the Whale Tail License plate directly supports coastal access.

#### REGISTERED SUPPORT / OPPOSITION:

##### Support

Amah Mutsun Land Trust	Coastal Corridor Alliance
Amigos De Los Rios	Coastside Land Trust
Association for Environmental and Outdoor Education	Concerned Resource & Environmental Workers
Audubon California	Conservation Corps North Bay
Audubon Center At Debs Park	Crossing the Channel for CAUSE
Azul	Crystal Cove Conservancy
Black Surf Santa Cruz, INC	D.i.y. Art
Black Surfers Collective	Ege Foundation (eternal Generations Emerging)
Borp Adapted Sports and Recreation	Empowher
California Academy of Sciences	Environmental Action Committee of West Marin
California Coastal Protection Network	Environmental Center of San Diego
California Coastkeeper Alliance	Environmental Traveling Companions
California Marine Sanctuary Foundation	Escondido Creek Conservancy
California Urban Streams Alliance	Friends of Ballona Wetlands
Catalina Island Marine Institute	Friends of Sausal Creek
Children's Lifesaving Foundation	Friends of the Dunes
City Surf Project	Girlventures
Climate Resilient Communities	
Clockshop	

Golden Gate Bird Alliance  
 Grassroots Ecology  
 Green Latinos  
 Groundwork San Diego Chollas Creek  
 Guadalupe-nipomo Dunes Center  
 Guided Discoveries, INC.  
 Heal the Bay  
 Hills for Everyone  
 Humboldt Waterkeeper  
 Kids for the Bay  
 Land Trust of Napa County  
 Latino Outdoors  
 Literacy for Environmental Justice  
 Living Coast Discovery Center  
 Los Angeles Neighborhood Land Trust  
 Los Courage Camps  
 Marshmallow Minds  
 Mendocino Area Parks Association  
 Monarch School Project  
 Nature for All  
 New Heights Charter School  
 Northern California Public Media  
 Oakland Goes Outdoors  
 Ocean Discovery Institute  
 One Cool Earth  
 Outdoor Outreach  
 Outside the Lens  
 Paddle for Peace  
 Para Los Ninos  
 Payomkawichum Kaamalam  
 Planning and Conservation League  
 Plants People Community  
 Project Avary  
 Queer Surf  
 Ready Study Go Academy  
 Redwood Community Action Agency  
 Reel Guppy Outdoors  
 Resource Renewal Institute  
 Resources for Indian Student Education  
 Rosie the Riveter Trust  
 Sacramento Urban Forest Council  
 Salinas Community Science Workshop  
 Salmon River Restoration Council  
 Salted Roots  
 San Diego Children and Nature  
 Santa Cruz Mountains Trail Stewardship  
 Save Our Shores  
 Save the Waves Coalition  
 Sierra Club Inspiring Connections Outdoors  
 Sacramento  
 Smith River Alliance  
 Sonoma County Regional Parks  
 South Yuba River Citizens League  
 Stewards of the Coast and Redwoods  
 Sunday Friends Foundation  
 Surfrider Foundation  
 Sustainable Claremont  
 Ten Strands  
 Tides Center  
 Treepeople  
 Trees Foundation  
 Un Mar De Colores  
 Undauntedk12  
 Ventana Wilderness Alliance  
 Ventana Wildlife Society  
 Ventura Land Trust  
 Watsonville Wetlands Watch  
 Wholly H2o  
 Wildcoast  
 Yes Nature to Neighborhoods  
 YMCA of Greater San Francisco

## Opposition

None on file

**Analysis Prepared by:** Paige Brokaw / NAT. RES. /

<sup>i</sup> [The 2024-25 Budget: Insolvency Risks for Environmental and Transportation Special Funds](#)

<sup>ii</sup> [5 Things to Know: 49ers California License Plate](#)