



Specialty License Plates: Big Revenue or Big Controversy?

By Anne Teigen and James Hanseen

The first mainstream specialty license plate was created for America's bicentennial celebration in 1976, but their rise in popularity and numbers has spiked in the last 15 years. Specialty plates differ from vanity plates—which feature a personal message; for example, “IMGR8T”—and also from standard-issue plates. Most are designed to promote a specific cause or nonprofit and cost more than a regular license plate. The additional revenue goes to the state, with a designated portion set aside for the organization represented on the plate. Many people buy them to show their support for certain causes, and organizations and states have been equally intrigued by the revenue they generate.

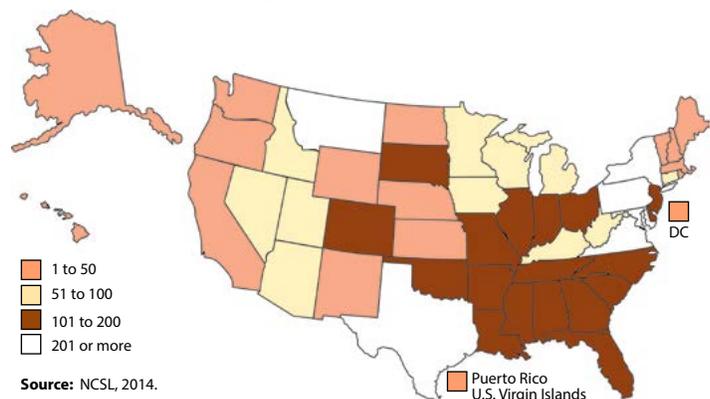
Did You Know?

- The Ohio State University-themed plate is the top specialty plate seller in the Buckeye State.
- Virginia's special “Don't Tread on Me” license plate featuring the Gadsden flag, offered since 2010, is reported to be one of the most popular selling plates in the state. The plates are now on more than 38,000 cars in the commonwealth.
- In 2014, Louisiana approved creating and issuing 14 new specialty plates for organizations, including the National Rifle Association, Future Farmers of America, the State Coalition Against Domestic Violence and the Louisiana AIDS Advocacy Network.

State Action

All states issue some sort of specialty plates but they range in number, from 6 in Puerto Rico to nearly 800 in Maryland. Montana currently offers 203 specialty license plates, benefiting everything from the Montana Weed Control Association to the Rocky Mountain Elk Foundation. A new report from the Montana Department of Motor Vehicles found that, in FY 2013, sales of collegiate plates raised \$735,852.50 for student scholarships, while sales of specialty license plate for organizations raised \$3,254,491.28. Florida, which offers 122 specialty plates, generated \$31 million from sales in FY 2013.

Number of Specialty License Plates in States



Revenue from the sale of specialty license plates provides funding for various programs in a number of states. For example, the Idaho Department of Fish and Game receives about \$850,000 annually from the sale of three specialty wildlife license plates. This is the state's only source of income for programs such as wildlife diversity management and conservation education. The Tennessee Arts Commission has collected more than \$4.5 million in each of the past four years from the sale of four specialty art plates, comprising more than two-thirds of the commission's \$6.3 million budget.

Specialty plate sales revenue also can cross state lines. Georgia, North Carolina and Tennes-

see participate in the [Appalachian Trail License Plate Program](#), which began in 2005 and has generated more than \$1 million. Each state sells distinct Appalachian Trail specialty plates and awards the revenue to the Appalachian Trail Conservancy to protect and preserve the trail.

With specialty plates' rise in popularity, however, controversy about them also has increased. Since 2003, Mississippi has issued a license plate with a design featuring a small Confederate battle flag. The Sons of Confederate Veterans received approval for these state-issued specialty plates to raise money for restoration of Civil War-era flags. Nine states—Alabama, Georgia, Louisiana, Maryland, Mississippi, North Carolina, South Carolina, Tennessee and Virginia—now offer the plates. When the Sons of Confederate Veterans applied for specialty plates in Texas in 2009, they were denied first by the Texas Department of Transportation and then, after more public outcry, by the Department of Motor Vehicles (DMV). The group sued on constitutional grounds. The [Fifth Circuit Court of Appeals](#) ruled in July 2014 that the Texas DMV rejection of the Sons of Confederate Veterans' specialty license plate application violated the First Amendment. The court reasoned that the Texas DMV engaged in “viewpoint discrimination” by implicitly dismissing the “view that the Confederate flag is a symbol of sacrifice, independence and Southern heritage.”

Other specialty license plates around the nation also have spurred conflict and debate. An Indiana Youth Group plate designed to support GLBT youth resulted in so much controversy that a new legislative oversight committee for specialty license plates was formed. At least a dozen lawsuits in the last decade have been directed at “Choose Life” license plates, which are available in 29 states. In February 2014, the [Fourth Circuit Court of Appeals](#) declared unconstitutional North Carolina's decision to offer only a “Choose Life” specialty plate (and not an abortion-rights alternative plate).

The controversies may not end anytime soon. The Texas attorney general has asked the U.S. Supreme Court to weigh in on the Fifth Circuit's ruling and to answer the question once and for all whether specialty license plates qualify as government speech and whether denying a specialty plate constitutes viewpoint discrimination.

In the past few years, efforts have been made to restrict issuance of specialty plates. A 2011 Utah law requires that 500 applications—including application fees—be received before a specialty plate design is considered. If the demand for the plate drops below 500 per year for three consecutive years, the plate will not be issued. Idaho passed similar restrictions in 2012. Florida requires pre-orders of 1,000 plates before producing any specialty plates.

Collecting and dispersing specialty license plate revenue also has been problematic for some states in recent years. In 2009, Idaho discovered it was losing money on specialty plate sales. A 2013 California Department of Motor Vehicles audit revealed that it failed to collect \$22.2 million in the two prior fiscal years by undercharging specialty license plate owners.

NCSL Contact and Resource

[Anne Teigen](#)

NCSL—Denver

(303) 856-1652

[NCSL License Plate Information page](#)