

PROPOSED AMENDMENT

HB 1390 # 17

DIGEST

Special group recognition plates. Requires: (1) an application for a special group recognition license plate to include a petition with not less than 1,000 signatures, obtained during a single calendar year; and (2) a special group recognition license plate issued after December 31, 2025, to sell and maintain the renewal of not less than 1,000 plates. (Current law requires 500 signatures and the sale and renewal of 500 plates.)

- 1 Page 4, between lines 21 and 22, begin a new paragraph and insert:
2 "SECTION 7. IC 9-18.5-12-3, AS ADDED BY P.L.198-2016,
3 SECTION 327, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) A special group that seeks
5 initial participation in the special group recognition license plate
6 program must submit a completed application to the bureau not later
7 than April 1 for potential issuance in the following year. The
8 application must contain the following:
9 (1) The name and address of the resident agent of the special
10 group.
11 (2) Evidence of governance by a board of directors consisting of
12 at least five (5) members, a majority of whom are outside
13 directors, who meet at least semiannually to establish policy for
14 the special group and review the accomplishments of the special
15 group.
16 (3) A copy of the:
17 (A) ethics statement;
18 (B) constitution and bylaws; and
19 (C) articles of incorporation as an entity that is exempt from
20 federal income taxation under Section 501(c) of the Internal
21 Revenue Code;
22 of the special group.
23 (4) Copies of the last three (3) consecutive:
24 (A) annual reports; and
25 (B) annual generally accepted auditing standards or
26 government auditing standards audits;

- 1 of the special group.
- 2 (5) Evidence of appropriate use of resources and compliance with
- 3 federal and state laws, including evidence of appropriate
- 4 management and internal controls in order to ensure:
 - 5 (A) compliance with law;
 - 6 (B) that finances are used in compliance with the purpose
 - 7 statement of the special group; and
 - 8 (C) maintenance as an entity that is exempt from taxation
 - 9 under Section 501(c) of the Internal Revenue Code.
- 10 (6) Evidence of transparency of financial and operational
- 11 activities to include availability of current financial statements at
- 12 any time upon the request of the bureau or a donor to the special
- 13 group.
- 14 (7) Evidence of internal controls to prevent conflict of interest by
- 15 board members and employees.
- 16 (8) A petition with the **dated** signatures of at least ~~five hundred~~
- 17 ~~(500)~~ **one thousand (1,000)** residents of Indiana, **obtained**
- 18 **during a single calendar year**, who pledge to purchase the
- 19 special group recognition license plate.
- 20 (9) A statement of the designated use of any annual fee to be
- 21 collected by the bureau.
- 22 (10) A copy of a certified motion passed by the board of directors
- 23 of the special group requesting that the special group recognition
- 24 license plate be issued by the bureau and stating the designated
- 25 use of any annual fee to be collected by the bureau.
- 26 (11) Evidence of statewide public benefit from the special group.
- 27 (12) Evidence of statewide public benefit from the use of the
- 28 annual fee collected by the bureau.
- 29 (13) Evidence that the special group's use of the annual fee to be
- 30 collected by the bureau and the organizational purpose statement
- 31 of the special group conform with at least one (1) of the following
- 32 categories:
 - 33 (A) Direct health care or medical research.
 - 34 (B) Fraternal or service organizations.
 - 35 (C) Government and quasi-government. For purposes of this
 - 36 clause, a special group that designates the use of the fees
 - 37 collected for deposit in the capital projects fund established by
 - 38 IC 9-18.5-28-5(a) is considered to have a quasi-government
 - 39 purpose.
 - 40 (D) Military and veterans' affairs.

- 1 (E) Public and transportation safety.
- 2 (F) A state educational institution (as defined in
- 3 IC 21-7-13-32) or an approved postsecondary educational
- 4 institution (as defined in IC 21-7-13-6) for scholarships for
- 5 Indiana residents.
- 6 (G) Agriculture, animals, and environment.
- 7 (14) Evidence that the organization has prohibitions and internal
- 8 controls prohibiting advocacy of the following:
- 9 (A) Violation of federal or state law.
- 10 (B) Violation of generally accepted ethical standards or
- 11 societal behavioral standards.
- 12 (C) Individual political candidates.

13 (b) The bureau shall review the application for a special group
 14 recognition license plate that has been submitted to the bureau under
 15 subsection (a). Upon satisfaction to the bureau of the completeness of
 16 the information in the application, the bureau shall forward the
 17 application to the executive director of the legislative services agency
 18 in an electronic format under IC 5-14-6 for review by the committee.

19 SECTION 8. IC 9-18.5-12-13, AS AMENDED BY P.L.118-2022,
 20 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2025]: Sec. 13. (a) In order to continue participation in the
 22 special group recognition license plate program, a special group must:

- 23 (1) sell at least:
 - 24 (A) **for a special group recognition license plate issued**
 - 25 **before January 1, 2026**, five hundred (500) special group
 - 26 recognition license plates of the special group; **and**
 - 27 (B) **for a special group recognition license plate issued after**
 - 28 **December 31, 2025, one thousand (1,000) special group**
 - 29 **recognition license plates of the special group;**
 - 30 in the first two (2) years in which the license plate is offered for
 - 31 sale; and
 - 32 (2) maintain the sale or renewal of at least:
 - 33 (A) **for a special group recognition license plate issued**
 - 34 **before January 1, 2026**, five hundred (500) special group
 - 35 recognition license plates; **and**
 - 36 (B) **for a special group recognition license plate issued after**
 - 37 **December 31, 2025, one thousand (1,000) special group**
 - 38 **recognition license plates;**
 - 39 during each subsequent year after the initial two (2) year period
 - 40 of sale.

(b) If the special group fails to sell or renew special group recognition license plates in the manner provided in subsection (a), the bureau shall place the issuance of the special group recognition license plates for the special group on probation for the subsequent year. If, in that subsequent year on probation, the special group fails to sell or renew ~~at least five hundred (500) the number of~~ special group recognition license plates **required under subsection (a)**, the bureau shall terminate the participation of the special group in the special group recognition license plate program. If the special group sells or renews at least ~~five hundred (500) the number of~~ special group recognition license plates **required under subsection (a)** in the year on probation, the participation of the special group in the special group recognition license plate program is continued. A special group shall be afforded only one (1) probationary period under this subsection.

(c) The bureau may terminate the participation of a special group in the special group recognition license plate program if the special group:

(1) ceases operations; or

(2) fails to use the annual fee collected by the bureau in a manner consistent with the statement submitted by the special group under section 3(a)(9) of this chapter.

(d) A special group that desires to participate in the special group recognition license plate program after termination by the bureau under this section:

(1) must follow the procedure set forth in section 3 of this chapter; and

(2) may not reapply to participate in the special group recognition license plate program for at least two (2) years after termination.

(e) Upon termination under this section of a special group's participation in the special group recognition license plate program, the bureau shall distribute any money remaining in the trust fund established under section 14 of this chapter for the special group to the state general fund."

Renumber all SECTIONS consecutively.

(Reference is to HB 1390 as introduced.)