

LICENSE PLATE AUCTION GROUP (LPAG)

July 30, 2012

Meeting location:

Colorado Department of Revenue, 1881 Pierce St. Room 110, Lakewood Colorado

Meeting minutes

ATTENDANCE:

Group members: Maren Rubino, Rich Medina, Mark Simon

Group members by telephone: Gina Robinson, Gary Sanford

Group members absent: Dave Ferrill, Jonathan Oliver

Guests in attendance: Bob Gall, Dylan Ikenouye (DOR), Ben Mitchell (DOR), Kit Sage, Mark Van Buskirk

CONVENE: The meeting was convened by Maren at 10:00 a.m.

Welcome and introductions

- Rich moved and Gina seconded approval of minutes from 6/25/12 Meeting
- Minutes approved

New Businesses

- Presentation of proposed tasks from SIPA consultant William Browning

Next two weeks:

1. *Perform an impact analysis – understands how this impacts existing operations*
2. *Review existing documents and policies*
3. *Produce and facilitate a review of this project plan with the License Plate Auction Group*

Next four weeks:

4. *Conduct a series of interviews and facilitated sessions to define the business processes and rules required to implement this application*
5. *Facilitate the development of functional requirements*
6. *Identify and resolve issues*

Next two weeks:

7. *Facilitate the development of the implement plan – this includes the timelines for design, development, and testing of the application.*
8. *Facilitate the development of a communications and deployment plan required to support implementation.*

Vision comments from members:

Marin – identify license plate configurations for auction

Understanding scope of group according to statute
Working on budget and strategies to secure funding
Understanding how to allocate

Rich – Broader context of costs and options for the group

Marketing approach – on-line or live auctions?

Mark – Seeking seed funding through grants and donations

Vision is to make lots of money to fund program
Contracting group will oversee allocation to non-profit agencies

Maren – Statute relative to group's work HB11-1216 & SB12-170

Mark – Individuals who own specialized plates for a year that they purchased through the auction pool can return back to auction pool and receive 70% of revenue generated from auction.

Discussion of other states that have similar license plate auction functions
William will schedule interviews and research prior to the next LPAG meeting

Public question – Is it true that specialty plates that have been retired (not used by an individual) are no longer available for purchase by other parties?

Maren – if someone had personal plate and it is no longer used, we will put plates back into circulation. There is no moratorium on personal license plates. If we don't have physical control of the plate, we will not reissue the plate. Department may conduct an assessment of placing plates, not physically in control of DMV, back into circulation. There are concerns with plates being put back into circulation without officially registering in current year. Future discussion with law enforcement input will be scheduled to address this issue.

- Consultant contact: wbrowning@rebound-solutions.org
William will contact group members for interviews
Office located at 915 S. Pearl, Denver

Budget – Gina Robinson

Small Group Update: meeting date will be set

COFRS – Gary Sanford

Gary reported that Michelle Zale is working to get the COFRS set up through the Governor's Office

Marketing Update – Gary Sanford

Gary has been in touch with Kathy Green and will meet in August to discuss marketing ideas. Kathy will also work with Gary to identify pro-bono professional to assist LPAG with marketing ideas and launch initial auction of license plates. Gary suggested that we work with marketing professionals to develop an official LPAG Seal.

Reissuance of previously used configurations – Dylan Ikenouye, DOR

The group has asked DOR to review 138 license plate configurations - (61 reserved – 77 not reserved)
Currently previously issued configurations are reissued on a case by case basis.

Could reserve configurations previously issued but not in use – would like to have further conversation with law enforcement.

Guest: Does Jonathan represent state patrol?

Maren – he would take issues back to state patrol prior to decision

Guest – Bob will inquire with other states concerns from law enforcement with reissued plates in cases without physically securing issued plate.

Maren – good timing for this discussion since we don't currently reissue without physical custody of the specialty plate. It would be good for the LPAG to work with DOR/DMV regarding reissuing plates.

Discussion on adding symbols to license plates – Jonathan Oliver, CSP

To be discussed at next meeting

IRS Letter – Mark Simon

Waiting to get feedback from Maurie regarding draft letter. Mark drafted letter based upon IRS website suggestions. Opinion letters differ from request for ruling. Opinion letters from non-profit depends upon size of budget – fee ranges from \$3 to \$3,000. Mark will work with Maurie to further develop letter. Guest

– Bob will inquire with his attorney regarding communications with IRS regarding license plate auctions. Discussion regarding state role and possibly asking state to determine tax exempt approach and then ask IRS for their ruling.

Old business

No old business

Future agenda items:

Future clean up legislation to be discussed at August LPAG meeting

Public Comment:

Mark VanBuskirk – Suggests that future legislation should address providing DOR/LPAG more rule making authority. State of Pennsylvania gave rule making authority to state agency managing license plates.

ADJOURNMENT

- Maren adjourned the meeting at 11:26 a.m.
- Minutes submitted by Gary Sanford on behalf of Dave Ferrill, Secretary

License Plate Auction: Project Overview and Suggested Process PowerPoint presentation **by John Conley with Statewide Internet Portal Authority (SIPA)**

Slide 1: Purpose of this Document

- ▶ This document outlines the actions required to implement the proposed license plate auction process recently passed by the state legislature.
- ▶ This specifically addresses how to define the application (web) functionality that could be hosted by a 3rd party. This includes guiding a process designed to:
 - Provide basic project management / supports required to coordinate and facilitate stakeholders.
 - Develop and document key business processes
 - Research and document sustainability practices
 - Produce both functional and technical requirements
 - Support implementation planning with SIPA

Slide 2: Project Background

- ▶ The License Plate Auction Group was authorized by the Laura Hershey Disability-Benefit Support Act - designed to fund services in Colorado to provide education, direct assistance and advocacy to enroll those who are eligible for Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI) and Long Term Care Medicaid but who cannot get through the application process.
- ▶ The License Plate Auction Group shall:
 - Raise money by auctioning to a buyer the right to use valuable letter and number combinations for a registration number.
 - Study the market and determine which registration numbers are the most valuable, including both the types of plates currently issued and any type of plate that has been historically issued.
 - The group shall raise money by creating a market, which may include on-line auction site, for registration number using methods that are commercially reasonable, account for expenditures and ensure the collection of the state's approval and transfer royalty.

Slide 3: Key Questions

- ▶ What business units within DOR are impacted – is there impact beyond DOR?
- ▶ When should this be implemented?
- ▶ How does this application integrate with existing titling and renewal systems such as CSTARs?
- ▶ How will the inventory of plates be managed?
- ▶ What are the key issues and risks with this new system?
- ▶ What are the financial controls and processes to ensure funds from this service are transferred to the appropriate fund?
- ▶ What support is required from DOR and other staff?
- ▶ Can the model be self-sustaining?
- ▶ How will this be marketed and communicated to the state?
- ▶ How will auctions be conducted – what rules will apply?

Slide 4: Time frame

- **Frame - 2 Weeks**
 - Perform an impact analysis – understands how this impacts existing operations
 - Review existing documents and policies
 - Produce and facilitate a review of this project plan with the License Plate Auction Group
- ▶ **Define - 4 Weeks**
 - Conduct a series of interviews and facilitated sessions to define the business processes and rules required to implement this application
 - Facilitate the development of functional requirements
 - Identify and resolve issues
- ▶ **Plan - 2 Weeks**
 - Facilitate the development of the implement plan – this includes the timelines for design, development, and testing of the application.
 - Facilitate the development of a communications and deployment plan required to support implementation.