

SB 803 STAFF MEASURE SUMMARY

Senate Committee On Business and General Government

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/12

WHAT THE MEASURE DOES:

Requires Secretary of State to establish rules authorizing licensed use of state seal on goods, wares, and merchandise. Limits license authorization to five years and allows for renewals. Allows Secretary to establish licensing fee to cover costs of administering licensing process and royalty fee calculated as a percent of annual gross receipts for licensed goods, ware, and merchandise sold. Dedicates royalty fees to General Fund. Allows Secretary to revoke license for failure to comply with applicable standards.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Current statute prohibits the reproduction of the state seal in a manner that falsely implies official endorsement or sponsorship by the state or any agency, or in a manner that subjects the seal to ridicule, debasement, or infamy. The state seal currently appears on a wide range of consumer products including neck ties, coasters, and key chains.

Senate Bill 803 allows the Secretary of State to license use of the state seal on goods, wares, and merchandise. The Secretary may adopt royalty fees calculated as a percent of total sales on the licensed goods, and dedicates royalty fees to the General Fund.