

February 15, 2011

The Honorable Mario Goico, Chairperson
House Committee on Veterans, Military and Homeland Security
Statehouse, Room 268-W
Topeka, Kansas 66612

Dear Representative Goico:

SUBJECT: Fiscal Note for HB 2132 by House Committee on Veterans, Military and Homeland Security

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2132 is respectfully submitted to your committee.

HB 2132 would create a "Gold Star Family" license plate. The bill would allow any owner of a passenger vehicle, truck of a gross weight of 20,000 pounds or less, or motorcycle who is an immediate family member of a person who died while in good standing on active duty in the military service of the United States to be issued a Gold Star Family license plate. The Gold Star Family license plate would be required to have a gold star and the words "Gold Star Family." As defined in the bill, a "gold star family member" is any person entitled to receive the gold star lapel button under 10 U.S.C. Section 1126 or the lapel button for next of kin of deceased personnel.

The bill would exempt the "Gold Star Family" license plate from the requirement of an initial issuance of at least 500 license plates. These new plates also would not be subject to the \$40 personalized license plate fee or the \$40,000 nonrefundable amount required of a sponsoring organization to help defray the Department of Revenue's costs for developing the distinctive license plates. HB 2132 would allow a surviving spouse or other family member to retain possession of the plate in the event of the death of the person issued the distinctive plate. The effective date of this bill would be January 1, 2012.

| Estimated State Fiscal Effect | | | | |
|-------------------------------|----------------|----------------------|----------------|----------------------|
| | FY 2011 SGF | FY 2011 All Funds | FY 2012 SGF | FY 2012 All Funds |
| Revenue | -- | -- | -- | (\$120,000) |
| Expenditure | -- | -- | -- | \$24,780 |
| FTE Pos. | -- | -- | -- | -- |

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Page 2—Fisc_Note_Hb2132

The Department of Revenue indicates that it has no estimate of how many Gold Star Family license plates could be issued under HB 2132, however, at least 3,000 plates would need to be issued for an adequate initial supply to counties and the exemption of the plate from the \$40 personalized license plate fee would reduce revenue to the State Highway Fund by \$120,000 (3,000 x \$40). The Department estimates that the bill would increase expenditures from the Division of Vehicles Operating Fund by \$24,780 in FY 2012, which includes the costs to design, manufacture, and ship the plates (3,000 plates x \$8.26). The Department indicates that its FY 2012 allocation from the State Highway Fund would need to be increased to ensure sufficient funding would be available to implement these provisions. Any fiscal effect associated with HB 2132 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue