

February 16, 2012

The Honorable Gary Hayzlett, Chairperson
House Committee on Transportation
Statehouse, Room 274-W
Topeka, Kansas 66612

Dear Representative Hayzlett:

SUBJECT: Fiscal Note for HB 2727 by House Committee on Government Efficiency

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2727 is respectfully submitted to your committee.

HB 2727 would amend numerous vehicle related statutes relating to distinctive license plates. The bill would allow the county treasurer, in addition to alumni association or foundation, to collect the annual royalty fee for the use of the educational institution's emblem. The bill would allow these plates to be transferred from a leased vehicle to a purchased vehicle and authorization statements would be allowed to be faxed by the alumni association or foundation to the county treasurer. Royalty payments collected by the county treasurer would be sent to the educational institution.

The bill includes an amendment related to the issuance of "Children's Trust Fund" license plates. It would allow the county treasurer, in addition to the Advisory Committee on Children and Families, to collect the annual royalty fee for the use of the use of the committee's logo. Authorization statements would be allowed to be faxed by the committee to the county treasurer. Royalty payments collected by the county treasurer would be remitted to the State Treasurer with subsequent deposits to the credit of the Family and Children Trust Account of the Family and Children Investment Fund.

HB 2727 would allow the issuance of "Kansas Foundation for Agriculture in the Classroom" license plates. The bill would allow the county treasurer, in addition to the Kansas Foundation for Agriculture in the Classroom, to collect the annual royalty fee for the use of the foundation's logo. Authorization statements would be allowed to be faxed by the Foundation to the county treasurer. Royalty payments collected by the county treasurer would be sent to the Kansas Foundation for Agriculture.

The bill would allow the issuance of “Shriner” license plates. The bill would allow the county treasurer, in addition to the Shrine Temple, to collect the annual royalty fee for the use of their logo. Authorization statements would be allowed to be faxed by the Shrine Temple to which the applicant is in good standing to the county treasurer. Royalty payments collected by the county treasurer would be sent to the Shrine Temple to which the person is a member.

HB 2727 would allow the issuance of “Helping Schools” license plates. The bill would allow the county treasurer, in addition to the State Board of Education, to collect the annual royalty fee for the use of their logo. Authorization statements would be allowed to be faxed by the State Board of Education to the county treasurer. Royalty payments collected by the county treasurer would be remitted to the State Treasurer with subsequent deposits to the credit of the Helping Schools License Plate Program Fund.

The bill would allow the issuance of “Breast Cancer Research and Outreach” license plates. The bill would allow the county treasurer, in addition to the University of Kansas Cancer Center, to collect the annual royalty fee for the use of their logo. Authorization statements would be allowed to be faxed by the Cancer Center to the county treasurer. Royalty payments collected by the county treasurer would be sent to the University of Kansas Cancer Center.

HB 2727 would allow the issuance of “Support Kansas Arts” license plates. The bill would allow the county treasurer, in addition to the Kansas Arts Commission, to collect the annual royalty fee for the use of their logo. Authorization statements would be allowed to be faxed by the Arts Commission to the county treasurer. Royalty payments collected by the county treasurer would be credited to the Kansas Arts Commission Special Gifts Fund.

The bill would allow the issuance of “Boy Scouts of America” license plates. The bill would allow the county treasurer, in addition to the Boy Scouts of America, to collect the annual royalty fee for the use of their logo. Authorization statements are allowed to be faxed by the Boy Scouts of America to the county treasurer. Royalty payments collected by the county treasurer would be sent to the Boy Scouts of America.

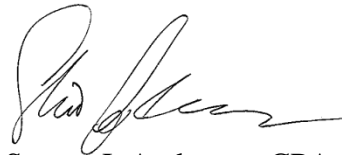
HB 2727 would allow the issuance of “I’m Pet Friendly” license plates. The bill would allow the county treasurer, in addition to the College of Veterinary Medicine at Kansas State University, to collect the annual royalty fee for the use of their logo. Authorization statements would be allowed to be faxed by Kansas State University to the county treasurer. Royalty payments collected by the county treasurer would be paid to the College of Veterinary Medicine at Kansas State University.

The effective date of this bill would be July 1, 2012.

Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$81,016
FTE Pos.	--	--	--	--

The Department of Revenue estimates that HB 2727 would increase expenditures from the Division of Vehicles Operating Fund in FY 2013 by a total of \$81,016. The estimate includes \$71,416 for 452 hours of programming the motor vehicle system at \$158 per hour to incorporate the provisions of the bill into the new motor vehicle system. Additionally, the estimate includes \$2,400 that would be required for 80 hours of in-house programmer time at \$30 per hour to modify the electronic funds transfer and web pieces of this implementation and \$7,200 would be required for 240 hours of in-house programmer time at \$30 per hour to modify the legacy Vehicle Information Processing System. The Department indicates that it is possible that the amendments could increase expenditures associated with statutes regulating the various distinctive license plates and could result in more of these plates being issued, but an estimate cannot be made because it is unknown how many license plates that would be. Those plates that are subject to the \$40 personalized plate fee would result in increased revenue for the State Highway Fund. Any fiscal effect associated with HB 2727 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,



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

cc: Steve Neske, Revenue