SESSION OF 2011

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2033

As Recommended by House Committee on <u>Transportation</u>

Brief*

HB 2033 extends vehicle registration as a fleet, rather than registration of individual vehicles, to commercial fleets of 250 or more vehicles on which personal property taxes are paid. Current law allows fleet registration only for fleets of 250 or more vehicles that are exempt from personal property tax or are assessed under tax laws for motor carriers.

The bill would become effective upon publication in the *Kansas Register*.

Background

The director of government affairs for Cox Communications and the executive director of the Kansas Motor Carriers Association testified in favor of the bill. No neutral or opposition testimony was offered.

Counties would no longer register the vehicles affected by this legislation; the Department of Revenue's Division of Vehicles registers fleet vehicles directly. A vehicle registered as part of a fleet receives a permanent license plate and a permanent registration cab card, effective until the vehicle leaves the fleet. Only fleets that stay within Kansas would be eligible, and each vehicle must be registered for a gross weight of at least 12,000 pounds. The fleet owner would be required to prove that appropriate property tax on any fleet vehicle has been paid either to the county in which the vehicle is domiciled or to the Department of Revenue.

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

According to the fiscal note prepared by the Division of the Budget, HB 2033 would have no fiscal effect on state revenues or expenditures, and any costs would be negligible and could be absorbed within existing resources.