

February 2, 2016

The Honorable Richard Proehl, Chairperson
House Committee on Transportation
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2473 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2473 is respectfully submitted to your committee.

HB 2473 would create the Alzheimer's disease awareness license plate. Kansas residents may apply for and be issued the distinctive plates beginning January 1, 2017.

Estimated State Fiscal Effect				
	FY 2016 SGF	FY 2016 All Funds	FY 2017 SGF	FY 2017 All Funds
Revenue	--	--	--	\$180,000
Expenditure	--	--	--	\$23,420
FTE Pos.	--	--	--	--

The Department of Revenue indicates that HB 2473 would require expenditures totaling \$23,420. Of this amount, \$2,400 would be for information service development costs to add the plate to Department systems, \$2,480 for system testing costs and \$18,540 for the costs of the plates. The plate costs assume 2,500 automobile plates and 1,500 motorcycle plates are issued. The estimated cost for automobile plates is \$12,750 (\$5.10 per plate X 2,500 plates). The estimate for motorcycle plates is \$5,790 (\$3.86 per plate X 1,500 plates). The Department notes that expenditures may be partially offset by current law which requires the sponsor of the new distinctive plate to submit up to \$20,000 to the Division of Vehicles to defray the costs for developing the plate. The funds would be deposited into the Distinctive License Plate Fund.

The Honorable Richard Proehl, Chairperson

February 2, 2016

Page 2—HB 2473

Applicants requesting the distinctive plate would be required to pay a \$40 fee. Using the estimated total number of plates issued of 4,000 (2,500 automobile plates plus 1,500 motorcycle plates), the Department of Revenue estimates that HB 2473 would add \$160,000 to the State Highway Fund (4,000 plates X \$40 fee per plate). Any fiscal effect associated with HB 2473 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue