



## SUPREME COURT OF KANSAS

KANSAS JUDICIAL CENTER

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Corrections and Juvenile Justice

Neutral Testimony

HB 2547—making changes to suspended drivers' license requirements

Shawn Jurgensen  
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Chairman Jennings and members of committee, thank you for the opportunity to appear today to testify concerning HB 2547. The bill would alter the method by which the drivers' license reinstatement fee is assessed against those drivers who fail to comply with a traffic citation. The Judicial Branch anticipates that this change would reduce the total number of reinstatement fees that are assessed.

Currently, the judicial branch assesses and collects the reinstatement fee and remits it to the state treasurer for deposit into the treasury. Once deposited, the state treasurer credits the first \$15.00 from each reinstatement fee, plus 41.17% of the remaining balance, into the judicial branch nonjudicial salary adjustment fund. The Judicial Branch Nonjudicial Salary Adjustment fund is used to compensate Judicial Branch employees, but it cannot be used to compensate judges or Supreme Court justices. Last fiscal year, \$1,201,649 in drivers' license reinstatement fees were deposited in this salary adjustment fund. Additionally, we estimate that \$502,471 in driver's license reinstatement fee surcharge revenue was deposited in the Judicial Branch Docket Fee Fund last fiscal year. By changing the driver's license reinstatement fee from \$100 per charge to \$100 per case, we estimate that revenue would decrease by approximately 44%, which equates to \$749,813, each fiscal year.

Because the Judicial Branch anticipates that this measure would reduce the total number of reinstatement fees assessed in Kansas, it consequently anticipates a decrease in the amount of funding available in the Judicial Branch Nonjudicial Salary Adjustment Fund: a decrease that—if not replaced with a separate, equal amount of funding—would impact the Judicial Branch's ability to compensate its employees and threaten its ability to remain open to the public. While the judicial branch has no position on the policy underlying the bill, it draws the committee's attention to the fiscal impact this measure could have on the branch's operations.

HB 2547  
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The Judicial Branch contracts with debt collection vendors to assist in collecting those fees assessed on behalf of the state. The bill, as offered, could impact those fees already assessed in a case. For example, a case involving a fee that has already been assessed and is currently being collected by a vendor may have to be reexamined by a court for a determination of what can be collected or, possibly, remitted to the defendant. This would require a substantial amount of time spent by trial court clerks and judges in recalculating the amounts owed in these cases and in recalling certain cases from collections vendors. Additionally, the bill would change assessment of the fee from a per charge basis to a per citation basis. To avoid any logistical issues that could arise from the implementation of these changes, we respectfully request the committee favorably consider our attached amendment, that would cause the changes contained in the bill to operate prospectively starting July 1, 2020.

Thank you for your time. I am happy to stand for questions regarding the bill.

Attachments

1 all reinstatement fees to the state treasurer in accordance with the  
2 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of  
3 each such remittance, the state treasurer shall deposit the entire amount in  
4 the state treasury and shall credit 42.37% of such moneys to the division of  
5 vehicles operating fund, 31.78% to the community alcoholism and  
6 intoxication programs fund created by K.S.A. 41-1126, and amendments  
7 thereto, 10.59% to the juvenile alternatives to detention fund created by  
8 K.S.A. 79-4803, and amendments thereto, and 15.26% to the judicial  
9 branch nonjudicial salary adjustment fund created by K.S.A. 2019 Supp.  
10 20-1a15, and amendments thereto.

issued on  
and after  
July 1,  
2020.

11 (2) On and after July 1, 2018, Except as provided in subsection (d),  
12 when the district or municipal court notifies the division of vehicles of a  
13 failure to comply with a traffic citation pursuant to subsection (b), the  
14 court shall assess a reinstatement fee of \$100 for each charge on which the  
15 person failed to make satisfaction regardless of the disposition of the  
16 charge for which such citation was originally issued and regardless of any  
17 application for restricted driving privileges for each case. Such  
18 reinstatement fee shall be in addition to any fine, ~~restricted driving~~  
19 ~~privilege application fee~~, district or municipal court costs and other  
20 penalties and shall only be collected after a person has been determined to  
21 be eligible for reinstatement. The court shall remit all reinstatement fees to  
22 the state treasurer in accordance with the provisions of K.S.A. 75-4215,  
23 and amendments thereto. Upon receipt of each such remittance, the state  
24 treasurer shall deposit the entire amount in the state treasury and shall  
25 credit the first \$15 of such reinstatement fee to the judicial branch  
26 nonjudicial salary adjustment fund and of the remaining amount, 29.41%  
27 of such moneys to the division of vehicles operating fund, 22.06% to the  
28 community alcoholism and intoxication programs fund created by K.S.A.  
29 41-1126, and amendments thereto, 7.36% to the juvenile alternatives to  
30 detention fund created by K.S.A. 79-4803, and amendments thereto, and  
31 41.17% to the judicial branch nonjudicial salary adjustment fund created  
32 by K.S.A. 2019 Supp. 20-1a15, and amendments thereto.

33 (d) The district court or municipal court shall waive the reinstatement  
34 fee provided for in subsection (c), if the failure to comply with a traffic  
35 citation was the result of such person enlisting in or being drafted into the  
36 armed services of the United States, being called into service as a member  
37 of a reserve component of the military service of the United States, or  
38 volunteering for such active duty, or being called into service as a member  
39 of the state of Kansas national guard, or volunteering for such active duty,  
40 and being absent from Kansas because of such military service.

41 (e) A person who is assessed a reinstatement fee pursuant to  
42 subsection (c) may petition the court that assessed the fee at any time to  
43 waive payment of the fee, any additional charge imposed pursuant to



State of Kansas

**Office of Judicial Administration**

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February 10, 2020

**HB 2547**

Bill Number: HB 2547 Due Date: February 7, 2020  
Responding Agency: Judicial Branch  
Prepared by: Stephanie Bunten *SB* DOB Analyst: Bill Schafer

**Fiscal Impact**

State—Would this bill have a fiscal effect on your agency? Yes X No       
Local—Would this bill have a fiscal effect on local government? Yes      No X  
Tax Revenue—Would this bill affect State General Fund revenues? Yes      No X  
Fee or Other Revenue—Would this bill affect revenues to other state funds? Yes X No     

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
<b>Expenditures</b>			
State General Fund			
Fee Fund(s)			
Federal Fund			
<b>Total Expenditures</b>	<b>See Below</b>	<b>See Below</b>	<b>See Below</b>
<b>Revenues</b>			
State General Fund			
Fee Fund(s)		<b>(\$749,813)</b>	<b>(\$749,813)</b>
Federal Fund			
<b>Total Revenues</b>	<b>See Below</b>	<b>See Below</b>	<b>See Below</b>
<b>FTE Positions</b>			

### Bill Description

House Bill 2547 would amend K.S.A. 2019 Supp. 8-62, 8-2110 and would repeal 8-2110*b* by eliminating the \$25 application fee for a request for restricted driving privileges (fee currently deposited into state treasury with credit to the division of vehicles operating fund).

It would replace the payment of a \$100 reinstatement fee per charge with a \$100 fee per case. The judicial branch would still receive the first \$15 of the fee.

The \$22 court fee is reauthorized through June 30, 2025.

### Assumptions for Fiscal Effect Estimate

**Expenditures:** The passage of HB 2547 could have a very significant fiscal effect on expenditures of the Judicial Branch. As written, it appears that this bill may be retroactive to include cases prior to July 1, 2018. If that is the case, this will cause a significant increase in the amount of work for district court clerks. For all cases involving driver's license reinstatements that have been sent to collections, the clerks would have to recall these cases from the debt collection vendor and would then have to recalculate the debt owed without the reinstatement fee. The bill provides that these fees shall only be collected after a person has been determined to be eligible for reinstatement. The clerks would then have to re-send the remaining debt back to the debt collection vendor for collection.

**Revenues:** The passage of HB 2547 would have a very significant fiscal effect on revenues to the Judicial Branch. Because the bill's provisions change the driver's license reinstatement fee from \$100 per charge to \$100 per case, this will create a substantial decrease in revenue to the Judicial Branch Nonjudicial Salary Adjustment Fund and the Judicial Branch Docket Fee Fund. Based on CY 2019 data for a sampling of district court driver's license reinstatements that included 28 counties, of which two were urban courts (Shawnee and Sedgwick Counties), it is estimated that revenue would decrease by approximately 44%.

The FY 2019 driver's license reinstatement fee revenue in the Judicial Branch Nonjudicial Salary Adjustment Fund was \$1,201,649. The estimated annual decrease in revenue due to the bill's provisions is approximately \$528,726 ( $\$1,201,649 \times 44\%$ ).

In addition, there is a \$22 Judicial Branch surcharge on every reinstatement fee. This fee is deposited into the Judicial Branch Docket Fee Fund. The FY 2019 driver's license reinstatement fee surcharge revenue in the Judicial Branch Docket Fee Fund was \$502,471. The estimated annual decrease in surcharge revenue due to the bill's provisions is approximately \$221,087 ( $\$502,471 \times 44\%$ ).

Therefore, the estimated total decrease to Judicial Branch revenue would be approximately \$749,813.

**Long-Term Fiscal Considerations**

The passage of HB 2547 would have a very significant long-term fiscal effect on the Judicial Branch as noted above.

**Local Government Fiscal Effect**

None.

**References/Sources**