

February 12, 2019

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

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2071 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2071 is respectfully submitted to your committee.

HB 2071 would create a Proud Educator distinctive license plate. The bill would allow any Kansas resident who is the owner of a passenger vehicle or truck of a gross weight of 20,000 pounds to be issued one Proud Educator license plate for each vehicle on and after January 1, 2020. The distinctive plate would be issued upon proper registration and payment of the regular license fee as provided in KSA 8-143, and either (1) payment to the county treasurer of the logo use royalty payment established by the Kansas Educators Support Foundation, or (2) presentation of the annual logo use authorization statement.

The Kansas Educators Support Foundation would be authorized to allow their logo to be affixed on license plates upon payment of a logo use royalty payment of at least \$25, but no more than \$100 for each license plate. The payment would be issued to the Kansas Educators Support Foundation or the county treasurer. Annual royalty payments collected by county treasurers would be remitted to the State Treasurer and credited to the Kansas Educators Support Foundation Royalty Fund.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue	--	--	--	\$40,000
Expenditure	--	--	--	\$4,992
FTE Pos.	--	--	--	--

The Department of Revenue estimates HB 2071 would increase its expenditures by \$4,992 in FY 2020, for administrative costs related to designing and manufacturing the new plate. The Department estimates the bill would increase revenues to the State Highway Fund by \$20,000 from a \$40 personalized plate fee, which assumes an initial issuance of 500 license plates (500 plates x \$40 = \$20,000). In addition, the Department estimates the bill would increase revenues to the Distinctive License Plate Fund from a \$20,000 nonrefundable fee required from the sponsor of a new distinctive license plate, which is used to defray the cost to develop the new plate. Any fiscal effect associated with HB 2071 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script that reads "L. L. Campbell". The signature is written in black ink and is positioned above the printed name and title.

Larry L. Campbell
Director of the Budget

cc: Lynn Robinson, Department of Revenue