

SESSION OF 2022

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2633

As Amended by Senate Committee on
Transportation

Brief*

HB 2633, as amended, would authorize a City of Hutchinson license plate and would require county of registration decals on license plates of passenger vehicles.

City of Hutchinson License Plates

The bill would authorize a City of Hutchinson license plate for use on a passenger vehicle or a truck registered for a gross weight of 20,000 pounds or less, for issuance on or after January 1, 2023.

The bill would allow the City of Hutchinson to authorize the image of its flag to be affixed on these license plates, and would require the royalty payment to be used to support the Hutch Rec Foundation and park development in Hutchinson.

The bill would require any owner or lessee to apply for the new plate at least 60 days prior to a person's renewal of registration date, on a form provided by the Director of Vehicles (Director), Kansas Department of Revenue (KDOR), after making a logo use royalty payment of between \$25 and \$100 to the City of Hutchinson or the county treasurer. Payment of the regular license fee would be required.

The registration or license plate would not be transferable to any other person. The bill would authorize the

*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>

Director to transfer the plate from a leased vehicle to a purchased vehicle.

The bill would require the City of Hutchinson to provide to county treasurers an email address for applicant use and, with the approval of the Director, to design the plate.

Under continuing law, City of Hutchinson license plates would not be issued unless there is a guarantee of an initial issuance of at least 250 license plates, and the City of Hutchinson would be required to submit a nonrefundable amount not to exceed \$5,000 to defray costs of the Division of Vehicles, KDOR, for developing the distinctive license plate.

Decals Showing County of Registration

The bill would require license plates issued on and after July 1, 2022, to have designated by decal the county of registration for:

- Any passenger vehicle (defined as a vehicle designed primarily to carry ten or fewer passengers) or a truck (defined as a vehicle used for transportation of freight or more than ten passengers) and subject to the motor vehicle tax; and
- Any vehicle that displays a distinctive license plate.

Background

The bill was introduced by Representatives Probst, Clifford, Gartner, Helmer, Kuether, Miller, Murphy, Seiwert, Stogsdill, Waggoner, and Weigel.

House Committee on Transportation

In the House Committee hearing, **proponent** testimony was provided by Representative Waggoner and a representative of the Hutch Rec Commission. The proponents stated the bill would provide residents a way to financially support improvements to Hutchinson parks and recreation and display community pride.

Written-only proponent testimony was provided by Representative Probst, a representative of the Hutchinson/Reno County Chamber of Commerce, a member of the Hutch Rec Foundation, and a private citizen.

Opponent testimony was provided by a representative of the City of Topeka. The opponent requested the City of Topeka license plate be removed from the bill because the City of Topeka does not own the Topeka flag image and does not wish to administer the program.

The House Committee amended the bill to remove authorization for the City of Topeka distinctive license plate and royalty payment to Friends of the Topeka Zoo, Inc.

Senate Committee on Transportation

In the Senate Committee hearing, Representative Waggoner and a representative of the Hutch Rec Commission provided **proponent** testimony. Written-only proponent testimony was provided by Representative Probst, a member of the Hutch Rec Foundation Board, a representative of the Hutchinson/Reno County Chamber of Commerce, and a private citizen. No other testimony was provided.

The Senate Committee amended the bill to add provisions regarding county designation decals on license plates.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, KDOR estimates enactment of the bill would increase FY 2023 revenues by at least \$20,000, of which \$19,625 would be remitted to the State Highway Fund and \$375 would be retained by county treasurers. KDOR indicates the bill would increase revenues to the Distinctive License Plate Fund by \$5,000 per plate, to defray the costs to develop the new plate. KDOR estimates the bill would increase expenditures in FY 2023 by \$3,840, which includes \$1,200 for plate development and \$2,640 for plate testing, policy and procedure changes, training, and plate design costs. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2023 Governor's Budget Report*.

[*Note:* The fiscal note was prepared before the City of Topeka license plate was removed from the bill. No fiscal information on the county of registration decal provisions was available when the Senate Committee took action on the bill.]

License plate; City of Hutchinson; Hutch Rec Foundation; flag; vehicle; county designation