

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on March 5, 2009, in Room 136-N of the Capitol.

All members were present except:

Senator Pat Apple- excused
Senator Anthony Hensley- excused

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes
Hank Avila, Kansas Legislative Research Department
Jill Shelley, Kansas Legislative Research Department
Cindy Shepard, Committee Assistant

Conferees appearing before the Committee:

Llewellyn Crain, Executive Director, Kansas Arts Commission
Carmen Alldritt, Director of Vehicles, Kansas Department of Revenue, State of Kansas
Chris Maurich, Lobbyist, ABATE of Kansas
Virgil Peck, Representative, State of Kansas
Ralph Ostmeyer, Senator, State of Kansas
Lee Tibbetts, from Auburn, Kansas

Others attending:

See attached list.

Chairman Umbarger requested staff briefing on **HB 2130**, **HB 2131**, and **HB 2134** since all three bills are dealing with license plates.

The Chairman opened the hearing on **HB 2130 - Support Kansas arts license plate**.

Llewellyn Crain, Executive Director of the Kansas Arts Commission spoke in support of **HB 2130**. According to Director Crain, a number of other states currently have arts license plates, reporting current fiscal revenue ranging from \$50,000 in New Hampshire, (population just over 1 million) to \$3,172,000 in California. The Kansas Arts Commission anticipates modest revenues of \$12,000 to \$50,000 from the sale of distinctive license plates. That income is important to the artist and arts organizations of Kansas, which are used to accomplishing a great deal with a few dollars (Attachment 1).

Carmen Alldritt, Director of Vehicles for the Kansas Department of Revenue (KDOR), testified as an opponent on **HB 2130**. She stated that the KDOR is not opposed to the arts license plate, but to the lack of funding. Exempting groups or sponsors from paying the full development costs, puts the additional expenses on the KDOR and the public. Director Alldritt requested before approving any new license plates, make sure adequate funding allocations are in place (Attachment 2).

Discussion followed, and the committee requested the revisor to draft an amendment to have the sponsoring group cover all costs up front, related to the design and production of the plates.

There being no further conferees the hearing on **HB 2130** was closed.

The hearing on **HB 2131 - Disabled veterans license plates, defining disabled veterans** was opened.

Chris Maurich, Lobbyist, ABATE of Kansas appeared as a proponent of the bill. Mr. Maurich stated under current statute, a disabled veteran that is eligible for a Kansas handicapped tag, may not be eligible for a disabled veteran tag due to the requirement of 100% disability rating granted by the Veterans Administration. Many states have taken action that allows for a disabled veteran tag with a rating of 50% or greater. The proposed change in **HB 2131** would allow those veterans that meet the criteria, to display a disabled veteran license plate on their motor vehicle (Attachment 3).

Carmen Alldritt testified as an opponent of **HB 2131**, in it's current form. In addition to the issues brought

CONTINUATION SHEET

Minutes of the Senate Transportation Committee at 8:30 a.m. on March 5, 2009, in Room 136-N of the Capitol.

up in the previous hearing, the Department of Motor Vehicles is in the process of changing vehicle registration systems. The new system will not allow personalized plates by county, as the current system potentially allows 105 of the same plate, only the county designation is different. Director Alldritt proposed an amendment to solve the issue ([Attachment 4](#)).

There being no further conferees, the hearing on **HB 2131** was closed.

The Chairman opened the hearing on **HB 2134 - Distinctive license plates; exempting In God We Trust plates from startup fee**.

Representative Virgil Peck testified in support of **HB 2134**. This bill requests exemption from the startup fees due to all profits from the sale of the plate going back to the state. Representative Peck personally believes, in a 24 month period, the state will sell 15,000 to 20,000 plates, and the \$40.00 per special plate fee would gross \$600,000 to \$800,00 for the Highway Fund ([Attachment 5](#)).

Senator Ralph Ostmeyer spoke as a proponent of **HB 2134**. According to the Senator, this plate is expected to be the most popular personalized plate ever made in Kansas. Over 2000 people have already requested the plates, and the state will realize the initial \$13,000 required with the first 350 plates sold. This legislation passed last year without the expected amendment to waive the fees for the initial run of the plates, and none of the requesters individually have the funds to initiate the plate printing ([Attachment 6](#)).

Carmen Alldritt appeared in opposition for the same reasons as in the previously heard license plate bills. She stated that the Department is not against In God We Trust plates, but the lack of funding in **HB 2134**. She requested an amendment allocating adequate funding to make the plates ([Attachment 7](#)).

Lee Tibbetts, from Auburn, Kansas testified in opposition to **HB 2134**. Mr. Tibbetts stated that in our current economic crisis it would be irresponsible for the Legislature to pass this bill. Vanity license plates should not be subsidized when other cuts are being made ([Attachment 8](#)).

Written testimony in support of **HB 2134** was submitted by:
Representative Jim Morrison, State of Kansas, ([Attachment 9](#))
Francis Landry, from Colby, Kansas ([Attachment 10](#))

Following discussion, the Chairman directed the revisor to draft amendments to enable the KDOR to collect all the money for the cost of the license plates first, then after costs are covered, divert profits to the Highway Fund.

There being no further conferees, the hearing on **HB 2134** was closed.

The meeting was adjourned at 9:30 a.m. The next meeting is scheduled for March 6, 2009.

SENATE TRANSPORTATION COMMITTEE GUEST LIST

DATE: 3/5/09

NAME	REPRESENTING
CHRIS MAURICH	ABATE OF KANSAS
SEAN MILER	CAPITOL STRATEGIES
CARMEN ALDRITT	KDOR
MARY TOLBERT	KDOR
Llewellyn Crain	Kansas Arts Commission
Jill Kaufman	Ks Co-op Council
Virgil Peck Jr.	
David Peters	
Christy Mulzer	
LOB TIBBETTS	
Sara Belfry	Kansas Chamber
Josh Smith	Intern, Sen. Pyle
Ted Smith	KDOR
Jason Darland	Pinegar + Smith
Steve Curtis	Kansas Arts Commission
Patrick Whurley	Economic Refeleries
Bob Totten	Intermodal DOT
TOM WHITAKER	KMCA
KEVIN GREGG	KMCA



Llewellyn Crain
Executive Director, Kansas Arts Commission
Testimony to Support House Bill 2130
Senate Transportation Committee
March 5, 2009

I speak today in support of House Bill Number 2130, which allows for a Kansas Arts license plate.

A number of other states currently have arts license plates, with six of them reporting current fiscal year revenue ranging from \$50,000 (New Hampshire, a state with a population of just over 1 million) to \$3,172,000 in California.

The Kansas Arts Commission's expectations are more modest, with anticipated revenues of \$12,500 to \$50,000. However, that income is deeply important to the artists and arts organizations of Kansas, which are used to accomplishing a great deal with few dollars. In the current fiscal year, the Kansas Arts Commission has given out 328 grants for a total of \$1,625,806, with an average grant of just under \$5,000. We have received almost 500 applications for funding this year. Kansas Arts Commission grant programs range from operational support to funding for arts education and community-based projects. All funding requires a match from the grantee.

There are many reasons to support the Kansas Arts Commission and this bill.

The Kansas Arts just completed a study of the statewide economic impact of the arts. The nonprofit arts in Kansas is a \$153 million industry, generating over \$15 million in state and local tax revenue. Smart communities across the state use the arts to attract tourists, new businesses and a professional workforce, to engage senior citizens and to educate children.

Studies have shown that children who participate in the arts have higher test scores and receive higher grades than those who do not. They are more involved in school, have higher attendance rates, exhibit more empathy and self-control and are better prepared for the 21st century workforce.

A multi-year study conducted by Dr. Gene Cohen of the George Washington University Medical Center found that senior citizens who participate in weekly arts programs have better health, visit the doctor less frequently and use less medication than seniors who do not.* For those of us who are looking to reduce health care costs, the implications are huge.

Kansas Arts Commission
Senate Transportation Committee
March 5, 2009
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In Kansas, as our population ages and needs increase, support for organized arts activities will result in a citizenry that is more engaged and involved and creates less strain on the network of social health care services.

To date, we have gathered more than 100 signatures in support of the license plate. We anticipate gathering the required 500 signatures by the end of the legislative session. The initial investment for the license plate of \$10,000 will be contributed from a variety of sources, including past and current Commissioners. We currently have \$4,000 in committed funds and anticipate being able to raise the additional amount through the summer.

We are grateful to the support of Representative Lana Gordon, who chairs the economic development and tourism committee and serves on the Joint Committee of Arts and Culture, for her initial work on this bill, as well as to Representative Mike Burgess who introduced it.

* Source: Americans for the Arts, *Creativity Matters: Arts and Aging in America*



The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of Kansas, KS (FY 2007)

Economic Activity	Arts and Culture Organizations	+	Arts and Culture Audiences	=	Total Expenditures
Total Industry Expenditures	\$80,286,603		\$73,235,995		\$153,522,598

Spending by Arts and Culture Organizations and Their Audiences Supports Jobs and Generates Government Revenue

Economic Impact of Expenditures	Economic Impact of Organizations	+	Economic Impact of Audiences	=	Total Economic Impact
Full-Time Equivalent (FTE) Jobs Supported	3,114		1,498		4,612
Household Income Paid to Residents	\$60,311,000		\$34,749,000		\$95,060,000
Revenue Generated to <u>Local</u> Government	\$2,708,000		\$3,310,000		\$6,018,000
Revenue Generated to <u>State</u> Government	\$3,897,000		\$5,719,000		\$9,616,000

Event-Related Spending by Arts and Culture Audiences Totaled \$73.2 million (excluding the cost of admission)

Attendance to Arts and Culture Events	Resident* Attendees	+	Non-Resident* Attendees	=	All Attendees
Total Attendance to Arts and Culture Events	3,297,586		445,417		3,743,003
Percentage of Total Attendance	88.1 percent		11.9 percent		100 percent
Average Event-Related Spending Per Person	\$15.20		\$51.89		\$19.58
Total Event-Related Expenditures	\$50,123,307		\$23,112,688		\$73,235,995

Nonprofit Arts and Culture Event Attendees Spend an Average of \$19.58 Per Person (excluding the cost of admission)

Category of Event-Related Expenditure	Resident* Attendees	Non-Resident* Attendees	All Attendees
Meals and Refreshments	\$7.46	\$16.79	\$8.57
Souvenirs and Gifts	\$3.06	\$7.44	\$3.59
Ground Transportation	\$1.99	\$7.45	\$2.64
Overnight Lodging (one night only)	\$1.22	\$14.62	\$2.81
Other/Miscellaneous	\$1.47	\$5.59	\$1.97
Average Event-Related Spending Per Person	\$15.20	\$51.89	\$19.58

* Residents are attendees who reside with the State of Kansas; non-residents live outside the Kansas.

Source: *Arts & Economic Prosperity III: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of Kansas*. For more information about this study or about other cultural initiatives in the State of Kansas, visit the Kansas Arts Commission's web site at <http://arts.ks.gov/>.

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TO: Chairman Dwayne Umbarger
Members of the Senate Transportation Committee

FROM: Carmen Alldritt, Director
Division of Vehicles

DATE: March 5, 2009

SUBJECT: House Bill 2130 – Kansas Arts License Plate

Cost estimate to produce 2000 standard auto license plates and 500 motorcycle license plates:

The cost estimates for the auto plate is \$6.14.

The cost estimate for the motorcycle plate is \$7.07.

For a total cost of \$15,795.

Honorable Chairman,

Members of the Committee,

I am Chris Maurich, ABATE of Kansas, Inc. and I am a proponent of HB 2131, a bill concerning "Disabled Veteran" license plates.

Under current statute, if a Disabled Veteran is eligible for a Kansas handicapped tag, he or she may not be eligible for a Disabled Veteran tag due to the requirement for a 100% disability rating granted by the Veterans Administration.

Many states have taken action that allows for a Disabled Veteran tag as long as the applicant meets the criteria for a medical doctors concurrence as well as a VA rating of 50% or greater.

I would like you to consider the proposed change in a favorable manner. This bill would allow those Disabled Veterans that otherwise meet the criteria, and are rated at least 50% disabled by the VA, to display a Disabled Veteran license plate on their motor vehicle.

I have provided copies of several states that do allow a veteran with a less than 100% VA disability rating, along with a medical doctor's validation, to be issued a Disabled Veteran license plate.

Thank you for your time and consideration today concerning HB 2131.

These are examples of what states require, some of these are our neighboring states. Kansas is included as well to provide what our state requires. Wisconsin, Oklahoma, Louisiana, Colorado, Alaska, California, Kansas

Alaska



To apply for disabled veteran's license plates with parking privileges, an applicant must submit the following documentation of a mobility impairment and proof of service related disability:

- An original Application for Disabled Parking Identification, completed in full by both the applicant and their Alaska licensed physician.**
- A certificate from an agency of the United States federal government, including the veteran's administration, stating the person has a service related disability.**

Louisiana

To view Louisiana Statutes: <http://www.legis.state.la.us/>

ELIGIBILITY

Mobility impaired persons who have a permanent impairment OR veterans who have a 50% or more service-connected disability are eligible for the mobility impaired license plates

REQUIREMENTS

Each initial application must be accompanied by a currently dated medical examiner's statement (DPSMV 1966 form) certifying that the applicant is mobility impaired OR, in the case of a disabled veteran, an affidavit from the Veterans Affairs Office attesting to the veteran's disability. The medical examiner's certification must state how long the physical condition which qualifies applicant for a handicapped plate is expected to last. A disabled veteran is considered to have a permanent impairment. "Medical examiner" is defined as a person

licensed to practice medicine by the Louisiana State Board of Medical Examiners, a person licensed to practice chiropractic by the Louisiana State Board of Chiropractic Examiners, a person licensed by the Louisiana State Board of Physical Therapy Examiners, or an advanced practice registered nurse.

4. Motorcycles - 4 years - \$12.00 (currently issued by Specialized Plate and Title Unit only)

Handicapped plates are issued at NO CHARGE to disabled veterans who have a 50% or more service-connected disability.

Oklahoma

Disabled Veterans License Plates - such plates shall be designed for persons presenting proper certification from the United States Department of Veterans Affairs or the Armed Forces of the United States certifying such veteran has a service-connected disability rating of fifty percent (50%) or more, regardless which agency pays the disability benefits.

Wisconsin

A Disabled Veteran license plate may be issued to a military veteran with a permanent disability incurred in active U.S. military service that limits or impairs ability to walk, who is the: Owner of a vehicle ; Lessee, of a vehicle, or Beneficiary of a trust that owns or leases a vehicle

Any person certified by an authorized U.S. Department of Veterans Administration (VA) representative as having a permanent disability that impairs mobility and is a result of injuries while on active U.S. military duty is eligible for the Disabled Veteran parking license plates.

Prior to issuing a special license plate to a disabled person or disabled veteran, the department shall require the submission of a certificate, in accordance with paragraph (2), signed by the physician and surgeon, or to the extent that it does not cause a reduction in the receipt of federal aid highway funds, by a nurse practitioner, certified nurse midwife, or physician assistant, substantiating the disability, unless the applicant's disability is readily observable and uncontested.

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Chapter 8.--AUTOMOBILES AND OTHER VEHICLES Article 1.--GENERAL PROVISIONS



Kansas

8-161. Disabled veterans registration and license plates; free; parking privileges; penalties.

(a) Any disabled veteran as defined in K.S.A. 8-160, and amendments thereto, who resides in Kansas and who makes application to the director of vehicles on a form furnished by the director for registration of a motor vehicle that is a passenger vehicle or a truck with a gross weight of not more than 20,000 pounds and is owned or leased and

used by such veteran may have such motor vehicle registered, and the director shall issue a distinctive license plate for it. Such license plate shall be issued for the same period of time as other license plates are issued. Such registration shall be made and such license plates issued free of charge to the disabled veteran. The director of vehicles shall also issue to the disabled veteran an individual identification card which must be carried by the disabled veteran when the motor vehicle being operated by the disabled veteran or used for the transportation of such disabled veteran is parked in a designated accessible parking space.

(b) Any Kansas resident who owns or leases a motor vehicle and who is responsible for the transportation of a disabled veteran or any resident disabled veteran desiring a distinctive license plate for a vehicle other than a motor vehicle owned or leased by the veteran may make application to the director of vehicles for such a license plate. Such license plate shall be issued for the same period of time as other license plates are issued. There shall be no fee for such license plates in addition to the regular registration fee.

(c) The director of vehicles shall design a special license plate to be issued as provided in this act. No registration or license plates issued under this act shall be transferable to any other person. No registration under this act shall be made until the applicant has filed with the director acceptable proof that the applicant is a disabled veteran as defined by K.S.A. 8-160, and amendments thereto, or is responsible for the transportation of such veteran. Motor vehicles displaying the distinctive license plates provided for in this act shall be permitted to park in any parking space on public or private property which is clearly marked as being reserved for the use of persons with a disability or persons responsible for the transportation of a person with a disability, except a parking space on private property which is clearly marked as being reserved for the use of a specified person with a disability, or park without charge in any metered zone and shall be exempt from any time limitation imposed on parking in any zone designated for parking, during the hours in which parking is permitted in any city.

Any person who willfully and falsely represents that such person has the qualifications to obtain the distinctive license plates provided for

by this section, or who falsely utilizes the parking privilege accorded by this section, shall be guilty of an unclassified misdemeanor punishable by a fine of not more than \$250.

History: L. 1951, ch. 102, § 2; L. 1953, ch. 45, § 2; L. 1957, ch. 60, § 1; L. 1973, ch. 28, § 1; L. 1975, ch. 30, § 5; L. 1975, ch. 427, § 6; L. 1981, ch. 35, § 2; L. 1986, ch. 36, § 10; L. 1991, ch. 35, § 1; L. 1999, ch. 125, § 4; July 1.

INSERT FROM PAGE 1:

Sec. 2. (a) K.S.A. 2008 Supp. 8-132 is hereby amended to read as follows: 8-132. (a) Subject to the provisions of this section and K.S.A. 8-1,125, and amendments thereto, the division of vehicles shall furnish to every owner whose vehicle shall be registered one license plate for such vehicle. Such license plate shall have displayed on it the registration number assigned to the vehicle and to the owner thereof, the name of the state, which may be abbreviated, and the year or years for which it is issued. The same type of license plates shall be issued for passenger motor vehicles, rented without a driver, as are issued for private passenger vehicles.

(b) During calendar year 1975 commencing on the effective date of this act, and during every fifth calendar year thereafter, the division of vehicles shall furnish one license plate for any type of vehicle an owner registers or has the registration thereof renewed, but during the succeeding four-year period following calendar year 1975 and during the succeeding four-year period following every fifth calendar year subsequent to 1975, the division of vehicles shall not furnish any license plate for the renewal of a vehicle's registration. During calendar year 1976 and during each calendar year thereafter in which a license plate is not issued for the renewal of registration of a vehicle, the division of vehicles shall furnish one decal for the license plate issued for a vehicle as provided in K.S.A. 8-134, and amendments thereto, for each registration and renewal of registration of such vehicle. Notwithstanding the foregoing provisions of this subsection, whenever, in the discretion of the director of vehicles, it is determined that the license plates currently being issued and displayed are not deteriorating to the extent that their replacement is warranted, the director may adopt rules and regulations to extend the five-year issuance cycle provided for in this subsection by one year at a time, and in the same manner the director may further extend such cycle by one year at a time, successively as the director determines appropriate. If the cycle is extended at the expiration of the extended term, new license plates shall again be issued in the manner and for the term provided in

such rules and regulations, except that the owner of a motor vehicle currently registered may continue to display the license plate currently being issued and displayed for a period not to exceed three registration years from the date of the expiration of the extended term. The division shall furnish one decal for each such license plate in accordance with the provisions [of] this subsection.

(c) Two personalized license plates may be issued to any owner or lessee of a passenger vehicle or a truck licensed for a gross weight of not more than 20,000 pounds, who makes proper application to the division of vehicles not less than 60 days prior to such owner's or lessee's renewal of registration date. Such application shall be on a form prescribed by the division and accompanied by a fee of \$40, which shall be in addition to any other fee required to renew the registration of such passenger vehicle under the laws of this state. One such personalized license plate shall be displayed on the rear of the vehicle and, at the option of the owner or lessee, the other license plate may be displayed on the front of the vehicle, except that no registration decal shall be issued pursuant to K.S.A. 8-134, and amendments thereto, for any such license plate displayed on the front of such vehicle. One personalized license plate may be issued to any owner of a motorcycle upon proper application in the same manner provided in this subsection (c) for passenger vehicles and trucks. The \$40 fee shall be paid only once during the registration period for which such license plates were issued, and any subsequent renewals during the registration period shall be subject only to the registration fee prescribed by K.S.A. 8-143, and amendments thereto. The division shall design distinctive, personalized license plates to be issued which shall contain not more than seven letters or numbers on truck or passenger vehicle license plates and not more than five letters or numbers on motorcycle license plates, or a combination thereof, to be designated by the applicant in lieu of the letters and numbers required by K.S.A. 8-147, and amendments thereto, other than the letters

required to designate the county in which such vehicle is registered. Unless the letters or numbers designated by the applicant have been assigned to another vehicle of the same type ~~registered in the same county~~, or unless the letters or numbers designated by the applicant have a profane, vulgar, lewd or indecent meaning or connotation, as determined by the director of vehicles, the division shall assign such letters or numbers to the applicant's vehicle, and the letters or numbers, or combination thereof, so assigned shall be deemed the registration number of such vehicle. Subject to the foregoing provisions, all license plates issued under this section shall be manufactured in accordance with K.S.A. 8-147, and amendments thereto. Such license plates shall be issued for a registration period of five years commencing in 1985 and each five years thereafter.

The secretary of revenue shall adopt rules and regulations necessary to carry out the provisions of this act, including, without limitation, rules and regulations concerning (1) the procedure for insuring that duplicate license plates are not issued ~~in the same county~~ throughout the state, (2) the procedure for reserving distinctive license plates for the purpose of obtaining the same on each annual renewal of registration, (3) the procedure for allowing the transfer of personalized license plates from one vehicle to another for which such license plates were originally issued, when the title to the original vehicle has not been transferred and the name or names of the owner or owners listed on the titles to both vehicles are identical, and (4) procedures necessary to coordinate this act with other laws of this state governing registration of vehicles. The director of vehicles shall remit all moneys received by the division of vehicles under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state highway fund.

STATE OF KANSAS

VIRGIL PECK, JR.

REPRESENTATIVE, DISTRICT 11
BOX 277
TYRO, KANSAS 67364

STATE CAPITOL
TOPEKA, KANSAS 66612
(785) 296-7641



COMMITTEE ASSIGNMENTS:
VICE-CHAIRMAN: INSURANCE
MEMBER: TAXATION
TRANSPORTATION
FINANCIAL INSTITUTIONS
LEGISLATIVE POST AUDIT

HOUSE OF REPRESENTATIVES
MAJORITY CAUCUS CHAIRMAN

Testimony Regarding HB 2134

Chairman Umbarger and Committee Members,

Thank you for the opportunity to provide testimony in support of HB 2134.

There is one main reason I'm in front of you, I carried HB 2134 on the House floor and for some reason there appeared to be a little confusion in the minds of some members as to what the bill did. My hope is that that will not be the case in the Senate.

Last session the Legislature authorized the production of an "In God We Trust" distinctive license plate. But, none have been produced because no one has paid the required \$10,000 for the production to start. HB 2134 simply exempts the "In God We Trust" distinctive license plate from the normal \$10,000 up front fee organizations usually provide for the start up costs of producing the plates.

Tuesday evening, March 3rd, I had a phone conversation with Mr. & Mrs. Landry, who initiated the idea for the Kansas In God We Trust plate. They relayed to me that while on a trip to Indiana they saw an Indiana plate with the words In God We Trust on it. After receiving legislative approval for the plate, they put out the word, through a few churches, the Knights of Columbus, etc. that it would be available. They currently have over 2,000 signatures of Kansas residents from 90 Kansas counties who have said they will purchase the distinctive plate. The Landrys have stopped taking names, but have had several hundred more who have indicated they want their name added to the list.

In the House Transportation Committee we were told that each plate will cost \$6.51 to manufacture. If we start with 2,000 plates the cost would be \$13,020. However, since each vehicle owner who wants the special plate will pay a \$40 fee, in addition to their other registration charges, it will bring in \$80,000 gross profit to the state (\$66,980 net profit). I personally believe over about a 24 month period the State will sell 15,000 to 20,000 plates which will bring in a nice sum of money, \$600,000 to \$800,000.

Our proposal is for KDOT to provide the Division of Vehicles with the initial \$13,000 so production of the plates can get started. We know that they will quickly get their initial investment back, and much more.

Senate Transportation

3-5-09

Attachment 5

STATE OF KANSAS



TOPEKA

SENATE CHAMBER

RALPH OSTMEYER

SENATOR, 40TH DISTRICT

P.O. BOX 97

GRINNELL, KS 67738-0097

STATE CAPITOL

300 S.W. 10TH, ROOM 262-E

TOPEKA, KS 66612

(785) 296-7399

ralph.ostmeyer@senate.ks.gov

COMMITTEE ASSIGNMENTS

VICE-CHAIR: AGRICULTURE
MEMBER: FEDERAL AND STATE AFFAIRS
LOCAL GOVERNMENT
JOINT COMMITTEE ON
ADMINISTRATIVE RULES
AND REGULATIONS

Testimony

In Support of

HB 2134: "In GOD We Trust" License Plate

Good afternoon, Chairman Umbarger and members of the Transportation Committee.

I am here in support of HB 2134, also referred to as the "In GOD We Trust" license plate. The Legislation passed last year, but an expected amendment to waive the fees for the initial run of plates was forgotten. It was assumed that since the State of Kansas was the recipient of ALL the funds generated through this personalized plate that the cost could be borne by the agency.

Well, the economy crashed and that turned out not to be the case, so this exemption, which was supposed to have been in the law last year, is now being proposed. The initial cost for the plates is approximately \$13,000.00. The requestors of the legislation passed last year are not recipients of any of the funds and simply do not have the funds individually to initiate the plate printing process.

This plate is expected to be the most popular personalized plate ever made in Kansas. Over 2,000 people have already requested plates but cannot get them as they have not been printed. The state will realize the initial \$13,000.00 required with the first 350 plates sold. Four hundred of the plates are already "sold" to individuals on a special list of those getting the first 400 numbers from 1-400. The State should realize a gross income of at least \$100,000.00 before the end of this fiscal year, which far exceeds their costs, so they would actually realize a profit by printing and selling these plates as soon as possible.

So, I would appreciate your supporting the bill with the exemption as presented and devise a way to "loan" the agency the seed money it needs to print the first plates right away. Thank you for your attention. I will stand for questions.

A handwritten signature in cursive script that reads 'Ralph Ostmeyer'. The signature is written in black ink and is positioned below a horizontal line.

Senate Transportation

3-5-09

Attachment 6

KANSAS

DEPARTMENT OF REVENUE

Kathleen Sebelius, Governor
Joan Wagnon, Secretary

www.ksrevenue.org

TO: Chairman Dwayne Umbarger
Members of the Senate Transportation Committee

FROM: Carmen Alldritt, Director
Division of Vehicles

DATE: March 5, 2009

SUBJECT: In God We Trust

Thank you, Mr. Chairman and Committee Members. My name is Carmen Alldritt, and I serve as the Director of Vehicles for the Kansas Department of Revenue.

The Department does not oppose the In God We Trust (Kansas Arts Commission) license plate(s). We do oppose the lack of funding.

For years the Department and the public have absorbed the cost of license plates and the additional expense incurred with development and issuance of specialty plates.

Today's cost to produce and deliver to the county just a standard auto license plate runs \$2.32. Specialty auto plates are running \$6.51. Motorcycle plates are actually higher and run \$3.14 for a standard motorcycle plate to \$7.07 for a specialty design.

The 2004 legislature attempted to establish policy requiring groups or sponsors requesting a specialty plate to pay \$10,000 to cover the cost of developing these plates. The \$40.00 one-time special plate fee was also to apply. Since 2004, bills have been enacted exempting various organizations from one or both parts of the fee.

The DMV cannot continue to absorb these costs and push the development costs onto the Highway Fund. When a customer buys a license plate, the fee is fifty cents. Development costs have gone from \$8,000 in 2004 to over \$15,000 today. Please, before approving any new license plates make sure adequate funding allocations are in place which would bring fairness and equity to license plate pricing.

DIVISION OF VEHICLES

DOCKING STATE OFFICE BUILDING, 915 SW HARRISON ST., TOPEKA, KS Senate Transportation
Voice 785-296-3601 Fax 785-291-3755 <http://www.ksrevent>

3-5-09
Attachment 7

Cindy Shepard

From: Carmen_Alldritt@kdor.state.ks.us
Sent: Wednesday, March 04, 2009 4:52 PM
To: Cindy Shepard
Subject: Fw: Draft of fiscal note for HB2134 as intro REVISED

Cindy, this is the revised fiscal note for the In God We Trust license plate. I'll send the Arts estimate separate.

Carmen Alldritt
Director of Vehicles
785-296-3601

----- Forwarded by Carmen Alldritt/Revenue/KDOR on 03/04/2009 04:49 PM

Steven
Neske/Revenue/KDO
R
03/04/2009 01:29
PM

To
Carmen Alldritt/Revenue/KDOR@KDOR
cc
Subject
Draft of fiscal note for HB2134 as
intro REVISED

Here ya go.

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----- Forwarded by Steven Neske/Revenue/KDOR on 03/04/2009 01:29 PM -----

2009 House Bill 2134b Revised Fiscal Note
Introduced as a House Bill

Bill Assigned: 01/29/2009

Responses Due: 02/02/2009

Note Due to Budget: 02/03/2009

Status: Preliminary Note Complete

Prepared By: Steven Neske

Preliminary Completed: 03/04/2009

Reviewed by P&R:

Approved by Secretary:

Sent to Budget:

Fiscal Impact: Decrease of \$10,000 for the Distinctive License Plate Fund.

Administrative Impact: Need omnibus appropriation amount of \$37,721 to keep issuance on track.

Revised Impact: Revised Administrative Impact

Brief of Bill

House Bill 2134, as introduced, amends K.S.A. 2008 Supp. 8-1,141 relating to distinctive license plates. Specifically, the bill inserts new subsection (e) exempting the "In God We Trust" distinctive license plate, which was enacted by House Bill 2704 during the 2008 session, from the requirement for a sponsoring person or organization to submit to the Division of Vehicles a nonrefundable amount not to exceed \$10,000 to defray the Division's cost for developing a new distinctive license plate.

The effective date of this bill would be upon publication in the Kansas Register.

Fiscal Impact

The exemption of the In God We Trust distinctive plate from the \$10,000 up front fee which is used to defray development costs would result in a decrease of \$10,000 for the Distinctive License Plate Fund.

Administrative Impact

Cost of Production for 5000 Auto/Truck/RV Trailer Plates and 1000
Motorcycle Plates \$37,721

The \$10,000 fee required in KSA 8-1,141 does not completely cover the cost of the production run for the initial issuance of the license plate. The cost of programming and testing are additional costs that are not funded.

The division has a production cost of \$6.14 for each auto license plate manufactured and \$7.07 for each motorcycle license plate manufactured. This cost does not include the initial design and manufacturing of the plate sheeting containing the distinctive plate's graphic art work.

HB 2134 will cause the division to not be able to comply with KSA 8-1,160 due to insufficient funds. The division does not have funding within its current budget to absorb these costs and the \$37,721 would need to be added to the division's budget through the omnibus appropriations process at the end of the session in order to keep issuance of this plate on track.

Administrative Problems and Comments

The division will have difficulty keeping a viable inventory of standard license plates for replacement plates and/or newly registered vehicles for the remainder of FY '09 and upcoming FY '10. Without the \$10,000 funds from the sponsoring association or organization, the division will not be able to produce or issue any distinctive license plates. In all honesty, the fee in KSA 8-1,141 needs to be increased to cover actual cost.

Taxpayer/Customer Impact

Sponsoring associations or organizations will initially like saving the \$10,000. But when the division fails to produce and issue their distinctive plates, they will be very concerned.

Legal Impact

HB 2134 may cause the division to fail to comply with KSA 8-1,160, issuance of the In God We Trust license plates.

TESTIMONY IN OPPOSITION TO HB 2134

To: Members of Senate Transportation Committee

From: Lee Tibbetts

Date: March 5, 2009

Subject: HB 2134

During the current national economic crisis and Kansas' own budget issues it would be irresponsible for the Legislature to pass House Bill 2134. There are multiple reasons this bill should not be passed some of which are highlighted here:

- We are in the middle of a national and state-level financial crisis.
- Cuts are being made and/or proposed throughout the State's budget
 - Estimated \$654 million deficit by end of fiscal 2010
 - Target of \$625 million in cuts/average of 10% across the board
 - School districts looking at potential layoffs
- Federal stimulus money is not the solution to our spending problems
 - Governor Sebelius proposed using \$909 million just to balance the budget
- Major companies are laying off employees across the state
 - BNSF – 26 jobs in Topeka, 24 in Wellington, 35 in Newton and over 100 in KC
 - Cessna – over 4,000 cuts in Wichita, 200 in Independence
 - Boeing – 800 jobs in Wichita last fall
- Vanity license plates should not be subsidized when other cuts are being made

In summary, I cannot believe that during a time like this that House Bill 2134 would even be considered. There are set policies and procedures in place for an individual or group to sponsor a vanity plate and there's no reason this plate should be exempt from those policies.

Thank you for your time and consideration.

Lee Tibbetts

Senate Transportation
3-5-09
Attachment 8

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Testimony In Support of HB 2134: "In GOD We Trust" License Plate

Good morning, Chairman Umbarger and members of the Transportation Committee.

I am writing to support the amendments to HB 2134, also referred to as the "In GOD We Trust" license plate. The Legislation passed last year, but an expected amendment to waive the fees for the initial run of plates was forgotten. It was assumed that, since the State of Kansas was the recipient of ALL the funds generated through this personalized plate, the cost could be borne by the agency.

Well, the economy crashed and that turned out not to be the case, so this exemption, which was supposed to have been in the law last year, is now being proposed. The initial cost for the plates is approximately \$13,000.00. The requestors of the legislation passed last year are not recipients of any of the funds and simply do not have the funds individually to initiate the plate printing process.

This plate is expected to be the most popular personalized plate ever made in Kansas. Over 2,000 people have already requested plates but cannot get them as they have not been printed. The State will realize the initial \$13,000.00 required with the first 350 plates sold. Four hundred of the plates have already been "sold" to individuals on a special list of those getting the first 400 numbers from 1-400. The State should realize a gross income of at least \$100,000.00 before the end of this fiscal year, which far exceeds their costs, so they would actually realize a profit by printing and selling these plates as soon as possible.

So I would appreciate your supporting the bill with the House amendment to accrue the initial funds required by KDOT. Thank you for your attention. I will stand for questions.

Representative Jim Morrison

Senate Transportation Committee
March 5, 2009
Testimony in support
HB 2134

Dear Members of the Senate Committee,

My name is Francis Landry from Colby. I will be having surgery on Friday morning and am unable to be there in person, therefore, I am writing to offer testimony in favor of HB 2134.

I am sponsoring this "In God We Trust" license plate because of a firm belief that this country was founded under God. All around us this belief is being attacked. I read just recently that 82% of the people in this country believe in God and yet we are allowing 18% to remove Him from everything in public life.

I understand that HB 2134 would exempt any person or organization sponsoring an "In God We Trust" distinctive license plate from paying the \$10,000.00 distinctive license plate fee to the Division of Vehicles of the Department of Revenue for the cost of developing the plate. Since the state will be receiving all revenue from this plate, I am asking you for this exemption.

Francis Landry
15 Cottonwood Dr
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