

SESSION OF 2006

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2628**

As Recommended by House Committee  
on Transportation

**Brief\***

HB 2628 would allow the registered owner of a motor vehicle to continue to display the license plate for a period not to exceed three registration years from the date of the expiration of the extended term. The Division of Vehicles would furnish one decal for each license plate in accordance with law.

**Background**

The Director of Vehicles testified in support of the bill. She noted that each five years, the Division of Vehicles is authorized to re-issue standard license plates, unless the condition of the plates is such that the Director may extend the plate cycle by one year at a time. The current license plates were issued in 2001, and that five year cycle has been extended. The Director explained that historically when the plates are re-issued, the first year it costs the Department approximately \$6 million. She explained that by extending the cycle for three-years, the Department could continue to issue the old license plates before issuing new ones.

The Department of Revenue indicates that the bill would have no effect on state revenues, but the phase-in process could result in substantial savings in future years. Kansas currently has approximately 2.4 million registered vehicles, and standard tags are being issued at an average rate of 550,000 per year for persons who purchase new vehicles or who have a tag lost, stolen, or damaged. Over a three year period, 1,650,000 vehicles would be re-tagged using a phased-in method, leaving 750,000 vehicles in need of a new tag at the end of a three-year period. The Department estimates it would spend approximately \$1.5 million to complete the re-issuance of all standard tags instead of \$6 million. It reports that funds for raw materials would be utilized no differently than they are now, until the

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\*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>

third year, when approximately \$1.5 million would be expended for additional raw materials and labor to complete the re-issue. This analysis assumes that any replacement tags issued during the three-year phase-in process would replace old license plates only. The Department also believes that information technology changes and user testing would be necessary, but it indicates that these expenses could be absorbed within existing resources.