

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2122**

As Agreed to March 24, 2025

Brief*

HB 2122 would amend law regarding registration fees of trucks, truck tractors, and electric and hybrid vehicles.

Truck Registration

The bill would increase from \$100 to \$300 the threshold at which the owner of a truck or truck tractor could make registration fee payments in equal quarterly installments. The bill also would remove provisions that deem a registration installment payment not delinquent until the owner has failed to pay any two quarterly payment installments during the year. Under continuing law, the entire balance plus a 10.0 percent penalty is due and payable, unless the Director of Vehicles, Kansas Department of Revenue (KDOR), determines such delinquency is not due to negligence or intentional disregard. Continuing law provides procedures for a lien on the vehicle or vehicles for delinquent registration payments. Under continuing law, these provisions do not apply to vehicles registered on an apportioned basis as part of a fleet.

Electric and Hybrid Vehicle Registration Fees

The bill would increase the annual license fees paid at vehicle registration of electric vehicles (EVs) and plug-in electric hybrid vehicles and would establish license fees for all-electric motorcycles and electric trucks and truck tractors with gross weights of 12,000 pounds or less, effective January 1, 2026.

The bill would also direct that the fees collected from these annual license fees be remitted to the State Highway Fund and the Special City and County Highway Fund, to be apportioned and distributed as for motor fuel tax.

The bill would increase these vehicle registration fees:

- Electric hybrid vehicles, from \$50 to \$70;
- Plug-in electric hybrid vehicles, from \$50 to \$100; and

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <https://klrd.gov/>

- All-electric vehicles, from \$100 to \$165.

The bill would also create three new categories of annual license fees:

- All-electric motorcycles, \$30;
- Electric hybrid or plug-in electric hybrid truck or truck tractor with a gross weight of 12,000 pounds or less, \$125; and
- All-electric truck or truck tractor with a gross weight of 12,000 pounds or less, \$200.

The bill would direct these fees to be divided between the State Highway Fund and Special City and County Highway Fund as motor fuel taxes are divided in continuing law. Continuing law directs 66.7 percent to the State Highway Fund and 33.63 percent to the Special City and County Highway Fund. Of the fees remitted to the Special City and County Highway Fund, continuing law directs 57.0 percent to counties and 43.0 percent to cities.

The bill also would make technical amendments.

Conference Committee Action

The Conference Committee agreed to the contents of HB 2122, regarding payment of truck registration fees, as passed by the House, and to add the contents of HB 2121, regarding electric and hybrid vehicle fees, but with a fee specific to electric hybrid vehicles of \$70.

Background

The Conference Committee agreed to the contents of HB 2122, as passed by the House, and added the contents of HB 2121. The background for both bills is provided below.

HB 2122 (Truck or Truck Tractor Registration and Late Fees)

HB 2122 was introduced by the House Committee on Transportation at the request of a representative of KDOR.

House Committee on Transportation

In the House Committee hearing, the Vehicle Coordinator, Division of Vehicles, KDOR, provided **proponent** testimony, stating the bill would align quarterly truck payment statutes for intrastate and interstate motor carriers.

A representative of the Kansas Motor Carriers Association provided neutral testimony and suggested an amendment to change the penalty on the entire registration fee to a penalty on the remaining annual registration fee.

No other testimony was provided.

Senate Committee on Transportation

In the Senate Committee hearing, the Vehicle Services Manager, Division of Vehicles, KDOR, offered **proponent** testimony, generally stating the bill would make fees associated with apportioned and commercial vehicles more consistent and reduce confusion for constituents and counties.

No other testimony was provided.

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to extend the grace period after which a payment would be considered delinquent from 10 days to 30 days past the due date of the quarterly installment. [*Note: The Conference Committee did not retain this amendment.*]

HB 2121 (Electric and Hybrid Vehicle Fees)

The bill was introduced by the House Committee on Transportation at the request of Representative Hoheisel.

House Committee on Transportation

In the House Committee hearing, **proponent** testimony was provided by Representative Hoheisel and representatives of the Kansas Contractors Association (KCA), Kansas Department of Transportation (KDOT), Fuel True Independent Energy and Convenience Association (Fuel True), and the League of Kansas Municipalities (LKM). The proponents generally stated that the increased fees would help offset the costs of decreasing motor fuels tax revenues and increased damage to roads because of increased weight of EVs and hybrid vehicles, and ensure that EV drivers are paying their fair share to maintain highways. The proponents also indicated that the funds being remitted to the State Highway Fund and the Special City and County Highway Fund will be helpful to local government units.

Written-only proponent testimony was provided by a representative of the Kansas Farm Bureau.

Neutral testimony was provided by a representative of General Motors, who reviewed General Motors' decision to produce the next-generation Chevrolet Bolt EV at the Fairfax assembly plant, stated General Motors agrees that EV and hybrid users should pay their fair share of fees, and suggested reducing the proposed \$175 fee for all-electric vehicles.

Opponent testimony was provided by a representative of the Kansas Chapter of the Sierra Club. The opponent described the benefits of EVs, and noted that the increased fees could dissuade people from purchasing EVs and hybrid vehicles in the future.

No other testimony provided.

The House Committee amended the bill to separate the category of electric hybrid vehicles and plug-in electric hybrid vehicles and establish a fee specific to electric hybrid vehicles and to

reduce the increase of registration fee for all-electric vehicles, changing the increased fee from \$175 to \$165. [Note: The Conference Committee retained this amendment.]

Senate Committee on Transportation

In the Senate Committee hearing, Representative Hoheisel and representatives of KDOT, Fuel True, KCA, LKM, and General Motors provided **proponent** testimony. The proponents generally stated that increased fees on EVs would increase parity in amounts paid to implement the current transportation plan and to help offset the disproportionate amount of damage caused by EVs due to their heavier weight.

Written-only proponent testimony was provided by representatives of Economic Lifelines and Kansas Farm Bureau.

Written-only neutral testimony was provided by a private citizen.

Opponent testimony was provided by a representative of the Kansas Chapter of the Sierra Club and a private citizen. Opponents generally stated that EV owners drive fewer miles, which offsets possible damage to roadways due to their increased weight. Opponents also stated that EVs offset the costs of this damage through decreased environmental impacts.

Written-only opponent testimony was provided by three private citizens.

No other testimony was provided.

The Senate Committee amended the bill to remove an increase in the annual license fee charged for electric hybrid vehicles. [Note: The Conference Committee did not retain this amendment.]

Fiscal Information

HB 2122 (Truck or Truck Tractor Registration and Late Fees)

According to the fiscal note prepared by the Division of the Budget on HB 2122 as introduced, KDOR indicates \$2,800 would be required from the State General Fund in FY 2026 to implement the bill, as introduced, and modify the automated tax system. The Kansas Department of Transportation indicates enactment of the bill would not have a fiscal effect on the agency. Any fiscal effect associated with enactment of HB 2122 is not reflected in *The FY 2026 Governor's Budget Report*.

HB 2121 (Electric and Hybrid Vehicle Fees)

According to the fiscal note prepared by the Division of the Budget on HB 2121, as introduced, KDOR estimates that enactment of the bill would increase state revenues by \$3,483,082 beginning in FY 2026, with \$2,311,722 to the State Highway Fund and \$1,171,360 to the Special City and County Highway Fund. To formulate these estimates, the Department multiplied the marginal increase in the fees outlined in the bill by the estimated number of

registrations for the vehicle class: 14,230 electric vehicle registrations would generate \$1,067,250 ($\$75 \times 14,230$) in revenue, 3,148 plug-in hybrid vehicle registrations would generate \$157,400 ($\$50 \times 3,148$), 45,144 hybrid-electric vehicles would generate \$2,257,200 ($\$50 \times 45,144$) and 88 all-electric motorcycle registrations would generate \$1,232 ($\14×88).

KDOR indicates that the bill would require \$6,700 from the State General Fund in FY 2026 to implement the bill and to modify the automated tax system. The required programming for this bill by itself would be performed by existing KDOR staff. In addition, if the combined effect of implementing this bill and other enacted legislation exceeds the KDOR's programming resources, or if the time for implementing the changes is too short, additional expenditures for outside contract programmer services beyond the Department's current budget may be required.

KDOT indicates enactment of the bill would not have a fiscal effect on agency operations or staff.

Any fiscal effect associated with enactment of HB 2121 is not reflected in *The FY 2026 Governor's Budget Report*.

Truck; electric vehicles; EVs; hybrid vehicles; annual license fees; registration fees; payments

ccrb_hb2122_00_0000.odt