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Laura Kelly, Governor

February 6, 2025

The Honorable Shannon Francis, Chairperson House Committee on Transportation 300 SW 10th Avenue, Room 582-N Topeka, Kansas 66612

Dear Representative Francis:

SUBJECT: Fiscal Note for HB 2122 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2122 is respectfully submitted to your committee.

HB 2122 would increase the threshold limit for allowing quarterly payments of certain truck and truck tractor annual vehicle registration fees from \$100 to \$300. The bill would also eliminate the two-quarter grace period for truck or truck tractor owners that have delinquent quarterly payments before certain penalties apply.

The Department of Revenue indicates that enactment of the bill would require \$2,800 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 staff of the Department of Revenue. In addition, if the combined effect of implementing this bill and other enacted legislation exceeds the Department'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.

The Department of Transportation indicates enactment of the bill would not have a fiscal effect on the agency. Any fiscal effect associated with HB 2122 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt

Director of the Budget