SESSION OF 2025

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2122

As Recommended by House Committee on <u>Transportation</u>

Brief*

HB 2122 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. Continuing law deems a quarterly installment payment delinquent ten days beyond its due date and the entire balance plus a 10.0 percent penalty to be 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 also 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.

The bill also would make technical amendments.

Background

The bill was introduced by the House Committee on Transportation at the request of a representative of KDOR.

^{*}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 https://klrd.gov/

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.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget, KDOR indicates \$2,800 would be required from the State General Fund in FY 2026 to implement the enacted bill 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 the bill is not reflected in *The FY 2026 Governor's Budget Report*.

Truck; registration fees; payments