



February 3, 2011

The Honorable Gary Hayzlett, Chairperson
House Committee on Transportation
Statehouse, Room 274-W
Topeka, Kansas 66612

Dear Representative Hayzlett:

SUBJECT: Fiscal Note for HB 2093 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2093 is respectfully submitted to your committee.

Currently, if the Kansas Highway Patrol (KHP) or a new vehicle dealer performs a vehicle inspection, the \$10 per hour fee is deposited into the KHP Vehicle Identification Number (VIN) Fee Fund. If a KHP designee performs the inspection, \$9 per hour is retained by the designee and KHP retains \$1 per hour. HB 2093 would increase the VIN inspection fee from \$10 per hour to \$15 per hour. The bill would also change the amount KHP retains from \$1 to 10.0 percent of each inspection charge generated by a designee, with the balance of the charge retained by the designee. The bill would also allow new vehicle dealers to retain the same fee as current KHP designees. HB 2093 would also authorize the Superintendent of the Kansas Highway Patrol to decide through rules and regulations the amount of the VIN inspection fee beginning on July 1, 2012, but the fee could not exceed \$20.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	\$542,276
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

KHP indicates that there are 36.00 FTE positions for the VIN Inspection Program in FY 2012; however, VIN fees currently received are sufficient to fund salary and wage expenditures for only 27 of those positions with nine trooper positions funded from other operating funds. KHP states that the passage of HB 2093 would allow the full cost of the VIN Inspection Program to be paid from VIN fees received. The agency estimates the increase in fees would bring additional revenue of \$542,276 in FY 2012. For FY 2013, the agency estimates additional

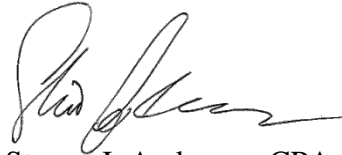
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revenues of \$1.2 million. The revenue increase in FY 2013 is greater than FY 2012 based on a \$20 per hour fee, which is an increase of \$5 per hour over FY 2012. Local law enforcement agencies conduct VIN inspections for KHP. Passage of HB 2093 would result in projected increased revenues of \$281,930 in FY 2012 and \$250,604 in FY 2013 for local governments. Any fiscal effect associated with HB 2093 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Kim Torrey, KHP