

January 25, 2012

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

Dear Representative Hayzlett:

SUBJECT: Fiscal Note for HB 2431 by Legislative Educational Planning Committee

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2431 is respectfully submitted to your committee.

Current law allows for specialty designed license plates for institutions of higher education. HB 2431 would allow the county treasurer to collect the annual royalty fee for use of the educational institution's emblem. Current law permits only an alumni association or foundation to collect the fee. The bill would also allow the Department of Revenue to transfer educational institution license plates from a leased vehicle to a purchased vehicle. In addition, an alumni association or foundation would be allowed to fax emblem use authorization statements to the county treasurer.

Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$52,644
FTE Pos.	--	--	--	--

The Department of Revenue estimates that HB 2431 would increase its expenditures in FY 2013 by \$52,644 to update computer processing systems. The Department indicates \$50,244 would be needed for 318 hours of contract programming time at \$158 per hour to incorporate these provisions into the motor vehicle system and \$2,400 would be needed for 80 hours of in-house programmer time at \$30 per hour to modify the electronic funds transfer and web pieces of

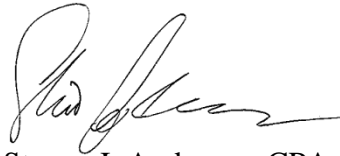
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this implementation. The Department also estimates that any effect on state vehicle revenues as a result of this bill would be negligible. Any fiscal effect associated with HB 2431 is not reflected in *The FY 2013 Governor's Budget Report*.

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: Steve Neske, Revenue  
Melissa Wangemann, KAC