

SESSION OF 2011

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2093

As Amended by House Committee on
Transportation

Brief*

HB 2093 would increase the fee paid for a vehicle identification number (VIN) inspection from \$10 an hour to \$20 an hour and from a minimum of \$10 to a minimum of \$20. It would allow the Kansas Highway Patrol (KHP) to receive 10 percent (changed from \$1) of the fees for each inspection conducted by a program designee or new vehicle dealer.

Background

Testifying in support of the bill were representatives of the KHP; the Kansas Automobile Dealers Association; the League of Kansas Municipalities; and the Kansas Association of Chiefs of Police, the Kansas Sheriffs Association, and the Kansas Peace Officers Association. The Director of Vehicles offered neutral testimony. No opponents testified.

The House Committee on Transportation amended the bill to increase the hourly and minimum fee to \$20. The original bill would have increased the fee to \$15 but would have allowed the KHP to increase the fee to no more than \$20 by rule and regulation after July 1, 2012.

The \$10 fee has not been increased since the statute including the fee was enacted in 1984.

*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 <http://www.kslegislature.org>

VIN inspections are performed on assembled or reconstructed vehicles, so that such a vehicle's owner can obtain a regular certificate of title and not have a nonhighway or rebuilt salvage title, and when a vehicle's owner applies for an original Kansas title. According to testimony, these inspections prevent stolen vehicles from becoming titled in Kansas. A list of KHP designees provided with testimony showed those designees are county sheriff departments and city police departments, and designees perform more than 200,000 such inspections each year.

According to the fiscal note prepared by the Division of the Budget on the original bill, the KHP indicates there are 36.0 FTE positions for the VIN Inspection Program but VIN inspection fees fund only 27 of those. The increase to \$15 in the original bill was estimated to bring in additional revenue of \$542,276 in fiscal year 2012. An increase to \$20 was expected to increase revenues by \$1.2 million in fiscal year 2013. Passage of the original bill was expected to result in increased revenues of \$281,930 in fiscal year 2012 and \$250,604 in fiscal year 2013 for local governments. Any fiscal effect of the bill is not reflected in *The FY 2012 Governor's Budget Report*.