

BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

Thursday, March 7, 2013

Senate Bill 96

Testimony of Thomas Franzen, CTP, CPFO Johnson County Treasurer

Mr. Chairman and Members of the Committee:

I am appearing before the Committee this morning in support of Senate Bill 96.

Senate Bill 96 makes changes to Kansas Statute 8-145d, which currently includes language allowing a County Treasurer the option to charge up to an additional \$5 per transaction for registering or renewing motor vehicles at a satellite location. The changes proposed in Senate Bill 96 strike the language requiring operation of satellite locations in order to be able to charge up to \$5 per vehicle registration or renewal transaction.

As a result of the implementation of the new motor vehicle system, workload was transferred to local County Treasurers. County Treasurers are now required to scan all transaction documents, approve title work and capture more data at the point of sale. While the Department of Revenue made a one-time expense reimbursement after go-live, these responsibilities were transferred without any additional ongoing revenue. Senate Bill 96 would allow for the possible recovery of on-going costs incurred, if in fact, current revenues received do not cover the added costs of the transferred responsibilities.

This proposed change to current legislation <u>would not require</u> County Treasurers to charge any additional fees for service. It would be at the individual discretion of each County Treasurer to charge any additional fee based on local service levels provided and costs of operations. Any imposition of an additional fee allowed by this change would impact only registration and renewal transaction services provided in person in a county office. Motor vehicle services provided through lockbox, mail or Web-Tags services would not be impacted by this additional fee.

As the bill currently stands, only counties with multiple locations would be eligible to charge this additional fee. Since all County Treasurers are impacted by the workload transfer, I recommend that the bill be amended on line 17 to strike the reference to counties with multiple vehicle registration facilities. This amendment will further clarify that imposition of an additional fee would not be available to just the counties with multiple motor vehicle service locations. With the amendment, all counties would be eligible to charge an additional fee.

House Transportation

With the above referenced amendment, the Kansas County Treasurers Association (KCTA) is attachment supportive of this bill.

I'd like to thank the House Committee on Transportation for the opportunity to address this important issue. I would be pleased to answer any questions the committee may have.

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