

February 20, 2013

The Honorable Richard Proehl, Chairperson
House Committee on Transportation
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2356 by House Committee on Veterans, Military, and Homeland Security

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2356 is respectfully submitted to your committee.

HB 2356 would provide that, on and after January 1, 2014, any owner or lessee of one or more passenger vehicles, trucks registered with a gross weight of 20,000 pounds or less, or motorcycles may be issued one Honor and Remember license plate for each vehicle upon payment of a royalty payment between \$25 and \$100. Certain other requirements that are consistent with other specialty plates are also specified in the bill.

Estimated State Fiscal Effect				
	FY 2013 SGF	FY 2013 All Funds	FY 2014 SGF	FY 2014 All Funds
Revenue	--	\$20,000	--	\$20,000
Expenditure	--	--	--	\$8,990
FTE Pos.	--	--	--	--

The Department of Revenue estimates that the new Honor and Remember license plate created in HB 2356 would increase state revenues by \$20,000 in both FY 2013 and FY 2014. The first \$20,000 is required of the sponsoring organization and credited to the Distinctive License Plate Fund to help the Department of Revenue defray the costs associated with the development of the new plate. For FY 2014, \$20,000 would be credited to the State Highway Fund from a provision in KSA 8-1,141, which subjects the plate to a minimum of 500 plates for the initial issuance and a \$40 personalized plate fee.

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The Department estimates the bill would increase its expenditures by \$8,990 from the Division of Vehicles Operating Fund in FY 2014, which includes \$2,640 for 16 hours of programming at \$165 per hour to modify the new vehicle system; \$4,130 for the initial order of 500 auto and truck plates at \$8.26 per plate; and \$2,220 for an initial order of 300 motorcycle plates at \$7.40 per plate. Any fiscal effect associated with HB 2356 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", written in a cursive style.

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

cc: Steve Neske, Revenue
Ben Cleeves, Transportation