### SESSION OF 2013

#### SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2311

# As Recommended by House Committee on <u>Transportation</u>

#### **Brief\***

HB 2311 would increase certain amounts to be paid in addition to registration fees when vehicle registration is not completed within deadlines in existing law.

- The penalty for failing to apply for registration within 60 days of the date of transfer of a vehicle from one owner to another would increase from \$2 to \$10 (Section 1);
- The additional fee for failing to apply for a nonrepairable vehicle certificate within 60 days after notification or determination the vehicle is not repairable would increase from \$2 to \$10 (Section 2);
- The delinquency rate for failing to pay annual fees for trucks, truck tractors, and trailers having gross weights of 4,000 pounds or more and using solid tires between January 1 and the last day of February, and for failing to pay registration fees for any passenger vehicle, motorcycle, motorized bicycle, recreational vehicle, truck, truck tractor, trailer, semitrailer, or electrically propelled vehicle, would increase from the current \$1 per month or fraction thereof to \$10 on the first day of delinquency plus an additional \$10 per month or fraction thereof, not to exceed \$50. These delinquency rates would be waived under certain

<sup>\*</sup>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

circumstances, including for active duty military members serving outside Kansas when the registration expired and the vehicle was not operated on any public roadway until making the application for renewal (Section 3);

- The delinquency penalty rate for a purchaser of a nonhighway vehicle or salvage vehicle who fails to apply for a nonhighway or salvage title within 60 days would increase from \$2 total to \$10 for each additional 30 days of delinquency, not to exceed a total of \$50; the rate could be reduced to not less than \$10 for good cause unless waived by the Director of Vehicles (Section 4);
- The penalty fee for each fleet vehicle for failure to renew annual apportioned fleet registration on or before March 1 would increase from \$2 to \$10. (The limit on the sum of the penalty fee would continue to be \$100.) (Section 5)

The bill also would make technical amendments.

## **Background**

The Director of Vehicles testified in favor of the bill and said raising these penalties was a key recommendation of the Governor's DMV Modernization Task Force. There was no other testimony.

The amounts and dates of the most recent changes to these fees, penalties, and rates are listed below:

- Section 1: \$2 in 2000;
- Section 2: \$2 in 2000;
- Section 3: \$1 for certain types of vehicles since 1929 and \$1 for additional types of vehicles since 1969:

- Section 4, nonhighway vehicles: \$2 since 1975; salvage vehicles: \$2 since 2004; and
- Section 5: \$2 (with a maximum of \$100) in 1978.

The revised fiscal note on the bill prepared by the Division of the Budget states the bill would increase revenues to the State Highway Fund by approximately \$2.1 million in FY 2014 and would increase expenditures by \$23,100 from the Division of Vehicles Modernization Fund in FY 2014 to program the motor vehicle system. Any fiscal effect associated with the bill is not reflected in *The FY 2014 Governor's Budget Report*.