

January 20, 2015

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

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2013 by Representative Finney

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2013 is respectfully submitted to your committee.

HB 2013 would create the “Omega Psi Phi” distinctive license plate. The bill would allow any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less to apply for the new plate after paying annual vehicle registration fees, and a logo use royalty between \$25 and \$100 to Omega Psi Phi. Omega Psi Phi would be required to design the license plate to be issued; pay the initial cost of silk-screening for the license plates; and provide all county treasurers with a toll-free telephone number where applicants can call for information concerning the application process or the status of their application.

Estimated State Fiscal Effect				
	FY 2015 SGF	FY 2015 All Funds	FY 2016 SGF	FY 2016 All Funds
Revenue	--	--	--	\$40,000
Expenditure	--	--	--	\$17,605
FTE Pos.	--	--	--	--

The Department of Revenue estimates that HB 2013 would increase revenue to the Distinctive License Plate Fund by \$20,000 in FY 2016, which is the nonrefundable fee required of the sponsor under the provisions of KSA 8-1,141 for the purpose of defraying the cost to develop the new plate. These provisions also subject the new plate to a \$40 personalized plate fee if the 500 license plate minimum is met, which would increase revenue to the State Highway Fund by \$20,000 (\$40 x 500 plates = \$20,000).

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The Department estimates that HB 2013 would increase expenditures from the Division of Vehicles Operating Fund by \$17,605 in FY 2016. The estimate includes \$15,000 to ship 3,000 license plates at \$5 per plate to the county treasurers' offices in order to provide sufficient inventory in all counties (3,000 plates x \$5 = \$15,000). The estimate also includes \$1,200 for 40 hours of computer system changes, and \$1,405 for 40 hours of user testing. Any fiscal effect associated with HB 2013 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue