

April 20, 2016

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

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2565 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2565 is respectfully submitted to your committee.

HB 2565 would create the license plate manufacturing fee fund and would designate it to be used for administration, operation, training, marketing, software maintenance and enhancement, equipment maintenance and purchase, shipping and postage associated with the issuance of vehicle registration license plates. The bill would also raise annual license fees for several vehicle categories by \$2 dollars and remove a \$0.50 fee on reflectorized license plates.

The Department of Revenue indicates that the bill would increase receipts from vehicle registrations by \$5.4 million dollars while removing fees on reflectorized license plates will remove \$287,891 in revenue. The Department of Revenue further indicates the bill would cost the agency \$17,416 in administrative costs associated with updating databases for fee changes and the creation of the license plate manufacturing fee fund. A request for fiscal effect was sent to the Kansas Association of Counties; however, no information was received. Any fiscal effect associated with HB 2565 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Melissa Wangemann, Association of Counties
Jack Smith, Department of Revenue