

February 9, 2021

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

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2194 by Representatives Finney and Ohaebosim

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2194 is respectfully submitted to your committee.

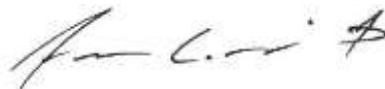
HB 2194 would create an Alpha Kappa Alpha distinctive license plate. The bill would allow any Kansas resident who is the owner of a passenger vehicle or truck of a gross weight of 20,000 pounds to be issued one Alpha Kappa Alpha license plate for each vehicle on and after January 1, 2022. The distinctive plate would be issued upon proper registration and payment of the regular license fee as provided in KSA 8-143, and either (1) payment to the county treasurer of the logo use royalty payment established by the Alpha Kappa Alpha Royalty Fund, or (2) presentation of the annual logo use authorization statement.

The Alpha Kappa Alpha Royalty Fund would be authorized to allow their logo to be affixed on license plates upon payment of a logo use royalty payment of at least \$25, but no more than \$100 for each license plate. The payment would be issued to the Alpha Kappa Alpha Royalty Fund or the county treasurer. Annual royalty payments collected by county treasurers would be remitted to the State Treasurer and credited to the Alpha Kappa Alpha Royalty Fund.

The Department of Revenue estimates HB 2194 would increase its expenditures by \$8,991 in FY 2022 for administrative costs related to designing, manufacturing, printing and shipping the new plate. The Department estimates the bill would increase revenues by \$20,000 from a \$40 personalized plate fee assuming an initial issuance of 500 license plates. The estimate includes \$19,625 to the State Highway Fund (500 plates x \$39.25 = \$19,625) and \$375 to county treasurers (500 x \$0.75 = \$375). In addition, the Department estimates the bill would increase revenues to

the Distinctive License Plate Fund by up to \$20,000 for a nonrefundable fee required from the sponsor of a new distinctive license plate, which is used to defray the cost to develop the new plate. Any fiscal effect associated with HB 2194 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue