

February 14, 2022

The Honorable Richard Proehl, Chairperson
House Committee on Transportation
Statehouse, Room 582-N
Topeka, Kansas 66612

Dear Representative Proehl:

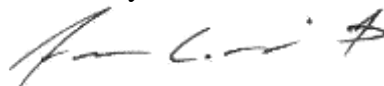
SUBJECT: Fiscal Note for HB 2633 by Representative Probst et al.

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2633 is respectfully submitted to your committee.

HB 2633 would create the City of Hutchinson and the City of Topeka distinctive license plates. On and after January 1, 2023, the plates could be issued to any Kansas resident who is the owner or lessee of one or more passenger vehicles or trucks registered with a gross weight of 20,000 pounds or less upon payment of the regular license fees and payment to the county treasurer of the logo use royalty payment or presentation of the annual logo use authorization statement. Royalty payments would be \$25, or no more than \$100. Royalty payments for the City of Hutchinson license plate would be used to support the Hutch Rec Foundation and Park Development. Royalty payments for the City of Topeka license plate would be used to support Friends of the Topeka Zoo, Inc.

The Department of Revenue indicates each distinctive plate created in HB 2633 would be subject to a 250 plate guaranteed initial issuance which would increase FY 2023 revenues by at least \$20,000 (\$40 special application fee x 250 plate minimum x 2 plates = \$20,000), of which \$19,625 would be remitted to the State Highway Fund and \$375 would be retained by county treasurers. The Department indicates the bill would also increase revenues to the Distinctive License Plate Fund by \$10,000, or \$5,000 per plate, to defray the costs to develop the new plate. The Department estimates the bill would increase expenditures in FY 2023 by \$3,840 which includes \$1,200 for plate development; and \$2,640 for plate testing, policy and procedures changes, training and plate design costs. Any fiscal effect associated with HB 2633 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Wendi Stark, League of Municipalities
Lynn Robinson, Department of Revenue