

Personalized License Plates, Firefighter Training Fee; Sub. for HB 2166

Sub. for HB 2166 adds several types of license plates; adds reporting requirements for organizations sponsoring distinctive license plates; amends requirements for distinctive license plate development, continuing distinctive license plates, and personalized license plate backgrounds; and requires an annual payment of a \$10 firefighters training fee for each new or renewed firefighter license plate starting January 1, 2022.

The new distinctive license plates to be issued on and after January 1, 2022, are military branch license plates and five license plates for which royalty fees will be paid: Braden's Hope for Childhood Cancer, proud educator, Alpha Kappa Alpha (AKA), Delta Sigma Theta (DST), and the Love, Chloe Foundation (Foundation) license plates. The bill also authorizes Gadsden flag license plates, for which a fee applies.

Royalty Fee License Plates

The bill authorizes Braden's Hope for Childhood Cancer, proud educator, AKA, DST, Gadsden flag, and Foundation license plates. The Braden's Hope for Childhood Cancer, proud educator, AKA, DST, and Foundation license plates are authorized for passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less; Gadsden flag license plates are authorized for passenger vehicles, trucks with a gross weight of 20,000 pounds or less, motorcycles, and travel trailers.

Under provisions of the bill, Braden's Hope for Childhood Cancer authorizes the use of its logo to be affixed on the Braden's Hope for Childhood Cancer license plates. The Kansas Educators Support Foundation authorizes the use of its proud educator logo to be affixed on the proud educator license plates. AKA authorizes the use of its logo to be affixed on the AKA license plates. DST authorizes the use of its logo to be affixed on the DST license plates. The Foundation authorizes the use of its logo to be affixed on the Foundation license plates. For each of these types of license plate, the bill requires a payment of a royalty fee of not less than \$25 but not more than \$100 per license plate issued to be paid to either the respective organization or the county treasurer. The owner or lessee of the vehicle annually applies to the respective organization for use of such logo and, upon the payment of the appropriate royalty, receives a logo use authorization statement to be presented at the time of registration.

An applicant for a Gadsden flag license plate makes an annual payment of \$25 to the county treasurer. Any fee received will be used to support the Kansas State Rifle Association. The bill requires the Gadsden flag license plate to have a background design, emblem, or colors that designate the license plate as a Gadsden flag license plate.

Renewal of Registration

The bill states a vehicle owner or lessee can apply for the license plate not less than 60 days prior to their registration renewal date, on a form prescribed and furnished by the Director of Vehicles (Director), Kansas Department of Revenue. The bill requires the applicant to provide the annual logo use authorization statement provided by the respective organization or make the royalty or fee payment to the county treasurer. The bill does not allow registration or license

plates to be transferred to any person other than the applicant, but the Director can transfer the Braden's Hope for Childhood Cancer, proud educator, AKA, DST, or Foundation license plate from a leased vehicle to a purchased vehicle.

The bill specifies renewals of registration are annual, upon payment of the license plate fee, and in accordance with the license plate issuance cycle. The bill prohibits renewal of registration until the applicant has paid the county treasurer the logo use royalty payment or Gadsden flag license plate fee or presents the annual logo use authorization statement. Without proof of paying the fee, the applicant is required to return the license plate to the treasurer of the county of the person's residence.

Requirements of the Respective Organizations

The bill requires the sponsors of the Braden's Hope for Childhood Cancer, proud educator, AKA, DST, and Foundation license plates to:

- Provide an email address to all county treasurers for an applicant to contact for information concerning the application process or the status of the license plate application; and
- Design the license plate, with the approval of the Director.

Consent – Release of Motor Vehicle Registration Information

The bill requires an applicant, as a condition of receiving one of the new distinctive license plates for which a logo use royalty is paid and any subsequent registration renewal of such plate, to consent to the Division of Vehicles (Division) authorizing the Division's release of motor vehicle record information—the applicant's name, address, logo use royalty payment amount, plate number, and vehicle type—to the respective organization and the State Treasurer.

Remittance of Annual Logo Use Royalty Payments or Fees

For each of the license plates, the bill requires the annual logo use royalty payments collected by the county treasurers to be remitted and paid to the benefiting entity as provided in continuing law:

- For the Braden's Hope for Childhood Cancer license plate, to the appropriate designee of Braden's Hope for Childhood Cancer;
- For the proud educator license plate, to the Kansas Independent College Association or other designee of the Kansas Educators Support Foundation;
- For the AKA license plate, to the appropriate designee of AKA;
- For the Gadsden flag license plate, to the designee of the Kansas State Rifle Association;

- For the DST license plate, to the appropriate designee of DST; and
- For the Love, Chloe Foundation license plate, to the Foundation.

Military Service License Plates

The bill authorizes a distinctive license plate indicating service in the U.S. Army, the U.S. Navy, the U.S. Marine Corps, the U.S. Air Force, the U.S. Coast Guard, or the U.S. Space Force to be issued to the owner or lessee of a passenger vehicle, truck of a gross weight of 20,000 pounds or less, or a motorcycle on or after January 1, 2022. The bill allows any resident of Kansas who is a current member or an honorably discharged veteran of one of the military branches as specified by the bill to apply for a distinctive license plate indicating such military service. To be issued a distinctive license plate, the owner or lessee of such vehicle, truck, or motorcycle must submit satisfactory proof to the Director that such owner or lessee is currently serving or separated and honorably discharged from one of the military branches listed above.

The bill requires the application to be made at least 60 days prior to a person's renewal of registration date on a form designated by the Director. The license plate is issued for the same time period as other license plates and is subject to regular license fees, but is exempt from the personalized license plate fee as specified in continuing law. No license plate or registration issued pursuant to the bill is transferable to any other person. In the event of death of any person issued a distinctive military service license plate, the surviving spouse or other family member is entitled to keep possession of the plate but is not permitted to display it on any vehicle.

The bill also requires renewals of registrations to be made annually in the manner provided in continuing law, and no renewal is allowed until an applicant has filed the required form with the Director. If no form is filed, an applicant is required to return the distinctive license plate to the county treasurer of such applicant's residence.

The distinctive military service license plates established by the bill are also exempt from requirements for a minimum number to be ordered before issuance or for continuance, or payment of a fee to develop the license plate.

Upon satisfactory proof submitted to the Director, in accordance with rules and regulations adopted by the Secretary of Revenue, any person issued a distinctive military service license plate under the provisions of the bill may request that the license plate be printed to indicate that such person is a retired member of the applicable military service branch.

Reporting by License Plate Sponsoring Organizations

The bill requires any organization that receives payment from any fee imposed on the issuance or renewal of a distinctive license plate to submit, not later than May 1 each year, a report on its prior year's finances to the House Committee on Transportation, the Senate Committee on Transportation, Kansas Legislative Research Department, and the State Treasurer. The bill requires the report to include the total amount of moneys the organization received from the distinctive license plate fee from the prior year and the list of expenditures that those moneys were spent on by the organization.

Developing and Continuing Distinctive License Plates

For distinctive license plates, the bill reduces the minimum number that must be guaranteed for initial issuance of the plate from 500 to 250. Under continuing law, the Director is required to discontinue the issuance of any distinctive license plate authorized on and after July 1, 2004, if certain minimum numbers of the license plates are not used. The bill reduces the number that must be guaranteed before initial issuance and issued before the end of the second year of sales from 500 to 250 and the number to be issued or renewed during any subsequent two-year period from 250 to 125.

The bill reduces from \$20,000 to \$5,000 the maximum nonrefundable amount to be submitted by a sponsoring organization of a distinctive license plate to defray costs of the Division to develop the distinctive license plate.

For educational institution license plates, the bill reduces the minimum number that must be guaranteed for initial issuance of the plate from 500 to 100. Under continuing law, the Director is required to discontinue the issuance of any educational institution license plate if certain minimum numbers of the license plates are not used. The bill reduces the number that must be issued before the second year of sales from 500 to 100 and the number to be issued or renewed during any subsequent two-year period from 250 to 50.

For the In God We Trust and Choose Life license plates, the bill reduces the minimum order requirement for issuance from 1,000 to 100 and reduces the corresponding transfer from the State Highway Fund to the Distinctive License Plate Fund from \$40,000 to \$4,000. [Note: In God We Trust license plates are being issued.]

Personalized License Plate Background

The bill authorizes the background for a standard license plate on a passenger vehicle to be used for a personalized license plate on a passenger vehicle and specifies the applicable fee.

Firefighter Training Fee

The bill requires a \$10 annual firefighters training fee payment to be collected by county treasurers for each firefighter license plate issued. The fee is deposited into the Firefighters Training Fund, which the bill creates. The bill authorizes expenditures from the fund to be made for purposes of providing financial support related to honoring or training Kansas firefighters or any general use that supports Kansas firefighters. The bill requires payments from the Firefighters Training Fund to be made monthly to the designee of the Kansas State Firefighters Association.

Under continuing law (KSA 2020 Supp. 8-1,141), an applicant for a firefighter license plate must also pay a \$40 distinctive license plate fee when a plate is issued.