

SESSION OF 2022

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2597

As Recommended by House Committee on
Transportation

Brief*

HB 2597 would authorize four distinctive license plates for the Kansas Department of Wildlife and Parks (KDWP) for issuance on or after January 1, 2023.

The license plates would intend to depict and promote:

- State parks;
- Hunting;
- Fishing; and
- Nongame wildlife.

For each of these license plates, the bill would authorize issuance of the license plate to any Kansas resident having proper registration, who has paid the regular license fee and the KDWP royalty fee. The Secretary of Wildlife and Parks would determine the amount of the annual royalty fee in an amount not less than \$40 nor more than \$100. Each of these license plates would be authorized for use on a passenger vehicle, truck with a gross weight of 20,000 pounds or less, or motorcycle.

The bill would require the application to be made at least 60 days prior to a person's renewal of registration date, on a form provided by the Director of Vehicles, Kansas Department of Revenue (KDOR).

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The license plates would not be transferable to another person, except the bill would authorize the Director to transfer a plate from a leased vehicle to a purchased vehicle.

As a condition of receiving these license plates, the bill would require an applicant's consent for the Division of Vehicles, KDOR, to provide the applicant's motor vehicle information to KDWP and the State Treasurer.

The royalty payments from these license plates would be credited to different existing KDWP fee funds based upon the license plate selected:

- For the state parks license plate, all royalty funds would be credited to the Parks Fee Fund;
- For the hunting, fishing, or nongame wildlife license plates:
 - An amount equal to the cost of an annual park pass and recreation motor vehicle permit would be credited to the Parks Fee Fund; and
 - The remaining balance would be credited to the Wildlife Fee Fund.

The bill would amend law regarding parks and recreation motor vehicle permits to provide that the issuance of one of these distinctive license plates shall also constitute issuance of a park and recreation motor vehicle permit, giving the driver equivalent rights and access to state parks as an annual permit holder, so long as the registration is current and the plate is displayed on the vehicle as required by law.

Background

The bill was introduced by the House Committee on Transportation at the request of Representative Blex.

House Committee on Transportation

In the House Committee hearing, the Secretary of Wildlife and Parks provided **proponent** testimony. The proponent said Kansas is the only state in the country not to issue a distinctive license plate to benefit its conservation agency. The proponent further stated that the bill would make Kansas one of the few states where such a plate would provide the purchaser access to their state park system.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, KDWP estimates the license plate would generate \$450,000 annually from the royalty payments. The agency estimates that many individuals who would pay the \$40 royalty fee are already paying for the \$15 annual park and recreation motor vehicle permits, resulting in a net increase of \$25 or 62.5 percent of the total payment. The agency estimates new income generated by enactment of the bill would be \$281,250 ($\$450,000 \times 62.5\text{ percent} = \$281,250$) per year. However, given the first issuance of the plate would not occur until January 1, 2023, FY 2023 revenues would be estimated at \$140,625. KDOR would also have to pay KDOR \$5,000 for production costs of each plate, totaling \$20,000.

KDOR estimates enactment of the bill would increase its expenditures by \$8,760 in FY 2023 for administrative costs related to quality assurance testing, user acceptance testing, updating policy and procedures, and plate design. KDOR estimates the bill would increase revenues by \$40,000 from a \$40 personalized plate fee assuming an initial issuance of 1,000 plates. Of that amount, \$39,250 would go to the State Highway Fund, and \$375 would go to county treasurers. KDOR also estimates the bill would increase revenues to the Distinctive License Plate Fund by \$20,000 for the nonrefundable fee required from KDWP.

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2023 Governor's Budget Report*.

License plates; distinctive; Kansas Department of Wildlife and Parks; state parks; hunting; fishing; nongame wildlife