

January 29, 2020

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

Dear Representative Proehl:

**SUBJECT:** Fiscal Note for HB 2489 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2489 is respectfully submitted to your committee.

HB 2489 would provide that, on and after January 1, 2021, any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less, who is a Kansas resident, may be issued one Proud Educator license plate for each vehicle upon proper registration and payment of the regular license fee as provided in KSA 8-143. The bill authorizes Kansas Educators Support Foundation to allow the use of its logo to be affixed on license plates. Royalty payments must be at least \$25 and no more than \$100 for each license plate and must be issued to the Kansas Educators Support Foundation or the county treasurer. Annual royalty payments collected by county treasurers must be remitted to the State Treasurer in accordance with the provisions of KSA 75-4215, and credited to the Kansas Educators Support Foundation Royalty Fund. Certain other requirements that are consistent with other specialty plates are also specified in the bill.

The Department of Revenue indicates the new license plates would be subject to regular license fees and could generate \$19,625 (\$39.25 x 500 plates) worth of revenue to be deposited into the State Highway Fund with an initial issuance of 500 license plates. The Department also estimates that creating the new plates, testing and production of the plates would cost \$9,832. According to statute, the sponsoring organization would be responsible for paying up to \$20,000 in initial production costs which would be credited to the Distinctive License Plate Fund. Since the Department estimates costs less than \$20,000, additional state funding would not be required. The Department further indicates that all revenues and expenditures would be one-time revenue and expenditure events. However, it is not possible to predict when these events would occur because, according to statute, production of plates cannot begin until the Department has a list of

500 initial customers. The Division of the Budget notes that it is also possible for revenues and expenditures to stretch over a period of fiscal years because of the nature of producing and issuing license plates. Any fiscal effect associated with HB 2489 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script, reading "L. L. Campbell".

Larry L. Campbell  
Director of the Budget

cc: Lynn Robinson, Department of Revenue  
Dale Dennis, Education  
Jay Hall, Association of Counties