HOUSE BILL No. 2138

By Committee on Transportation

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AN ACT concerning the registration of vehicles; relating to license plates; establishing a license plate production fee; amending K.S.A. 2006 Supp. 8-145, 8-147 and 8-1,142 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. On and after January 1, 2008, whenever the division of vehicles issues any license plate for the registration of a vehicle, except for license plates issued pursuant to K.S.A. 8-161, 8-177c and 8-1,145, and amendments thereto, the applicant for each such license plate shall pay a license plate production fee established pursuant to section 2, and amendments thereto. Such license plate production fee shall be in addition to any other fee required to register a vehicle under the laws of this state.

The license plate production fee shall be paid only once during the registration period for which such license plate was issued and any subsequent renewals during the registration period shall be subject only to the registration fee prescribed by article 1 of chapter 8 of the Kansas Statutes Annotated.

New Sec. 2. (a) Prior to January 1, 2008, and prior to each January 1 thereafter, the secretary of revenue shall establish by rules and regulations a license plate production fee for each type of license plate issued by the division, except for license plates issued pursuant to K.S.A. 8-161, 8-177c and 8-1,145, and amendments thereto, in an amount determined by the secretary to be sufficient to cover the cost of producing and manufacturing each such license plate, rounded-up to the nearest whole dollar.

(b) There is hereby created in the state treasury the license plate production fee fund. All moneys credited to the license plate production fee fund shall be used by the department of revenue only for the purpose of funding the production and manufacturing of license plates. All expenditures from the license plate production fee fund shall be made in accordance with appropriation acts, upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of the department of revenue.

Sec. 3. On and after January 1, 2008, K.S.A. 2006 Supp. 8-145 is hereby amended to read as follows: 8-145. (a) All registration and certificates of title fees shall be paid to the county treasurer of the county in which the applicant for registration resides or has an office or principal place of business within this state, and the county treasurer shall issue a receipt in triplicate, on blanks furnished by the division of vehicles, one copy of which shall be filed in the county treasurer's office, one copy shall be delivered to the applicant and the original copy shall be forwarded to the director of vehicles.

(b) The county treasurer shall deposit \$.75 of each license application, \$.75 out of each application for transfer of license plate and \$2 out of each application for a certificate of title, collected by such treasurer under this act, in a special fund, which fund is hereby appropriated for the use of the county treasurer in paying for necessary help and expenses incidental to the administration of duties in accordance with the provisions of this law and extra compensation to the county treasurer for the services performed in administering the provisions of this act, which compensation shall be in addition to any other compensation provided by any other law, except that the county treasurer shall receive as additional compensation for administering the motor vehicle title and registration laws and fees, a sum computed as follows: The county treasurer, during the month of December, shall determine the amount to be retained for extra compensation not to exceed the following amounts each year for calendar year 2006 or any calendar year thereafter: The sum of \$110 per hundred registrations for the first 5,000 registrations; the sum of \$90 per hundred registrations for the second 5,000 registrations; the sum of \$5 per hundred for the third 5,000 registrations; and the sum of \$2 per hundred registrations for all registrations thereafter. In no event, however, shall any county treasurer be entitled to receive more than \$15,000 additional annual compensation.

If more than one person shall hold the office of county treasurer during any one calendar year, such compensation shall be prorated among such persons in proportion to the number of weeks served. The total amount of compensation paid the treasurer together with the amounts expended in paying for other necessary help and expenses incidental to the administration of the duties of the county treasurer in accordance with the provisions of this act, shall not exceed the amount deposited in such special fund. Any balance remaining in such fund at the close of any calendar year shall be withdrawn and credited to the general fund of the county prior to June 1 of the following calendar year.

(c) The county treasurer shall remit the remainder of all such fees collected, together with the original copy of all applications, to the secretary of revenue. The secretary of revenue shall remit all such fees re-

mitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state highway fund, except as provided in subsection (d).

- (d) (1) Three dollars and fifty cents of each certificate of title fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3.50 to the Kansas highway patrol motor vehicle fund. Three dollars of each certificate of title fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3 to the VIPS/CAMA technology hardware fund.
- (2) For repossessed vehicles, \$3 of each certificate of title fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3 to the repossessed certificates of title fee fund.
- (3) Three dollars and fifty cents of each reassignment form fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3.50 to the Kansas highway patrol motor vehicle fund. Three dollars of each reassignment form fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3 to the VIPS/CAMA technology hardware fund.
- (4) The entire amount of each license plate production fee collected and remitted to the secretary of revenue shall be remitted to the state treasurer who shall credit such amount to the license plate production fee fund.
- Sec. 4. On and after January 1, 2008, K.S.A. 2006 Supp. 8-147 is hereby amended to read as follows: 8-147. As used in this section "license plate" means the plate used to externally evidence registration of a vehicle under chapter 8 of Kansas Statutes Annotated. Prior to November 1 of each year, the director of vehicles shall furnish the secretary of revenue with complete and detailed specifications for the manufacture of all license plates and registration decals, together with the number required for delivery in the succeeding year for use during the following year, and the state corporation commission shall furnish the secretary of revenue with complete and detailed specifications for the manufacture of identification tags together with the number required for delivery in the succeeding year for use in the following year. The secretary of revenue shall cause to be manufactured all license plates and registration decals and state corporation commission identification tags based on such specifications and estimates. For such purpose, the secretary of revenue shall enter into a contract for the manufacture of license plates, tags and decals

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with any organization or institution designated in K.S.A. 39-1208, and amendments thereto. Any such contract may provide that the secretary of revenue shall furnish or cause to be furnished the materials and supplies necessary for the manufacture and distribution of license plates, tags and decals if, in the opinion of the secretary of revenue, a reduction in the cost of manufacturing and distribution of the license plates, tags and decals under such contract will be achieved. Subject to the foregoing, the cost to the state for the manufacture of the license plates, tags and decals pursuant to any contract entered into under this section shall be substantially equivalent to such costs under prior contracts, with the cost of license plates increased in the amount of the cost of coating with reflective material, but any such contract shall not be subject to the provisions of K.S.A. 75-3739, and amendments thereto. Except as authorized by other provisions of law, license plates, beginning in the year in which new license plates are issued pursuant to K.S.A. 8-132, and amendments thereto, shall be lettered, numbered and designed as provided in this section. Each license plate shall contain a combination of three letters followed by a combination of three numerals, except that once all allowable combinations of letters and numerals have been used, each license plate shall contain an arrangement of numerals or letters, or both, as shall be assigned by the secretary of revenue. The arrangement of numerals and letters of license plates shall be uniform throughout each classification of registration. The secretary may provide for the arrangement of the numerals and letters in groups or otherwise and for other distinguishing marks on such license plates. The secretary of revenue shall design decals to be affixed to the license plates to identify the county by two letters chosen from the name of the county distinctly indicative of the name of the county in which the vehicle is registered and the date registration is to expire. The letters and numerals of such license plates shall be in such contrast of colors to the background of the license plate as to make such letters and numerals easily read. As new license plates are issued, the face of every license plate shall be completely coated with a reflective material. The reflectorized material shall be of such nature as to provide effective and dependable performance in the promotion of highway safety and vehicle identification throughout the service period for which the license plates are issued. The sum of \$.50 shall be added to the cost of each reflectorized license plate. The director shall change the color of such license plates every time new license plates are issued under subsection (b) of K.S.A. 8-132, and amendments thereto. The quantity of license plates and registration decals to be furnished each county shall be computed upon the basis of the number of motor vehicles registered and reregistered in such county for the preceding year, and additional license plates and decals shall be furnished as required. Any

contract entered into pursuant to this section for the manufacture of license plates and decals shall provide that the license plates and decals, other than prorate license plates and prorate backing plates, shall be shipped directly to the treasurer of the county where they are to be used. Any such contract for the manufacture of state corporation commission identification tags shall provide that such tags shall be shipped directly to the state corporation commission.

- Sec. 5. On and after January 1, 2008, K.S.A. 2006 Supp. 8-1,142 is hereby amended to read as follows: 8-1,142. (a) As used in this section, "educational institution" means:
- (1) Any state educational institution under the control and supervision of the state board of regents;
 - (2) any municipal university;
- (3) any not-for-profit independent institution of higher education which is accredited by the north central association of colleges and secondary schools accrediting agency based on its requirements as of April 1, 1985, is operated independently and not controlled or administered by the state or any agency or subdivision thereof, maintains open enrollment and the main campus or principal place of operation of which is located in Kansas;
- (4) any community college organized and operating under the laws of this state; and
 - (5) Haskell Indian Nations university.
- (b) Any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of not more than 20,000 pounds who is a resident of Kansas, upon compliance with the provisions of this section, may be issued one educational institution license plate for each such passenger vehicle or truck. Such license plates shall be issued for the same period of time as other license plates upon proper registration and payment of the regular license fee as provided in K.S.A. 8-143, and amendments thereto, plus the payment of an additional fee of \$5 for each plate, and the presentation of the annual emblem use authorization statement provided for in subsection (c).
- (c) Any educational institution may authorize through its officially recognized alumni association or foundation the use of such institution's official emblems to be affixed on license plates as provided by this section. Any royalty payment to such alumni association or foundation derived from this section, except reasonable administrative costs, shall be used for recognition of academic achievement or excellence subject to the approval of the chancellor or president of the educational institution. Any motor vehicle owner or lessee may annually apply to the alumni association or foundation for the use of the institution's emblems. Upon annual application and payment to the alumni association or foundation in an

amount of not less than \$25 nor more than \$100 as an emblem use royalty payment for each educational institution license plate to be issued, the alumni association or foundation shall issue to the motor vehicle owner or lessee, without further charge, an emblem use authorization statement, which shall be presented by the motor vehicle owner or lessee at the time of registration.

- (d) Any applicant for an educational institution license plate may make application for such plates not less than 60 days prior to such person's renewal of registration date, on a form prescribed and furnished by the director of vehicles, and any applicant for the educational institution license plates shall provide the annual emblem use authorization statement provided for in subsection (c). Application for registration of a passenger vehicle or truck and issuance of the license plates under this section shall be made by the owner or lessee in a manner prescribed by the director of vehicles upon forms furnished by the director.
- (e) No registration or educational institution license plate issued under this section shall be transferable to any other person.
- (f) Renewals of registration under this section shall be made annually, upon payment of the fee prescribed in subsection (b), in the manner prescribed in subsection (b) of K.S.A. 8-132, and amendments thereto. No renewal of registration shall be made to any applicant until such applicant provides the annual emblem use authorization statement provided for in subsection (c). If such emblem use authorization statement is not presented at the time of registration, the applicant shall be required to comply with K.S.A. 8-143, and amendments thereto, and return the educational institution license plates to the county treasurer of such person's residence.
- (g) The director of vehicles shall not issue any educational institution license plates for any educational institution, unless such educational institution's alumni association or foundation guarantees the initial issuance of at least 500 license plates.
- (h) The director of vehicles shall discontinue the issuance of an educational institution's license plate authorized under this section if:
- $\left(1\right)$ Less than 500 educational institution license plates, including annual renewals, are issued for an educational institution by the end of the second year of sales; and
- (2) less than 250 educational institution license plates, including annual renewals, are issued for an educational institution during any subsequent two-year period.
- (i) Each educational institution's alumni association or foundation shall:
- (1) Pay the initial cost of silk-screening for such educational license plates; and

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- (2) provide to all county treasurers a toll-free telephone number 2 where applicants can call the alumni association or foundation for infor-3 mation concerning the application process or the status of their license plate application.
 - (j) Each educational institution's alumni association or foundation, with the approval of the director of vehicles and subject to the availability of materials and equipment, shall design a license plate to be issued under the provisions of this section.
- Sec. 6. On and after January 1, 2008, K.S.A. 2006 Supp. 8-145, 8-9 147 and 8-1,142 are hereby repealed. 10
 - Sec. 7. This act shall take effect and be in force from and after its publication in the statute book.