

SESSION OF 2002

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2675**

As Amended by Senate Committee of the Whole

**Brief\***

HB 2675 pertains to motor vehicle license plates.

**Personalized License Plates.** The bill would give a motor vehicle owner or lessee the option of displaying the front plate on the vehicle. Currently, both plates must be displayed on the vehicle, one on the front and the other on the rear. The bill also provides that no registration decal will be issued for the plate displayed on the front of the vehicle.

**“Autism Society of Johnson County, Kansas” License Plates.** The bill also would allow owners or lessees of one or more passenger vehicles or trucks of a gross weight of 20,000 pounds or less to be issued one "Autism Society of Johnson County, Kansas" license plate for each passenger vehicle or truck. The plates will be issued for the same time as other license plates upon registration and payment of the regular license plate fee and the presentation of the annual logo use authorization statement. In addition, the bill would:

- ! Provide that the Autism Society may authorize the use of its logo to be placed on the license plate;
- ! Require that royalty payments be paid to the Autism Society and used to provide scholarships;
- ! Allow a vehicle owner or lessee to apply annually to the Autism Society for the use of the logo;
- ! Establish an amount of not less than \$25 nor more than \$100 as a logo use royalty payment for each license plate;

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\*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.accesskansas.org/legislature/>

- ! Provide that the Society issue the vehicle owner or lessee, without further charge, a logo authorization statement;
- ! Prohibit the transfer of the plate to any other person;
- ! Require annual registration renewal;
- ! Require applicants to provide the annual logo use authorization statement before they can renew their registration; and
- ! Require the return of the license plate to the county treasurer if the applicant does not present the authorization statement at the time of registration.

The bill would further require the Autism Society to pay the initial silk-screening for the license plates and provide county treasurers with a toll-free number where applicants can call the Society for information concerning the application process or the status of their license plate application. Finally, the Society would, with the approval of the Director of Vehicles, design the plate.

## **Background**

The bill, as introduced, would have reduced the number of personalized license plates issued to new applicants from two to one. The bill also would have provided that any person who had been issued two plates prior to July 1, 2002, would have been able to continue displaying the second plate on the front of the vehicle.

Persons who testified in favor of the bill, as introduced, included Representative Huff, sponsor of the bill, and Cynthia Fisk, private citizen. The Director of Vehicles provided information on the effects of the original bill, noting a total savings to the Division of \$94,427.

The House Committee amendments will allow applicants the option of displaying the front plate on the vehicle and provide that no registration decals will be issued for front plates.

The Senate Committee of the Whole added the amendment relative to the "Autism Society of Johnson County, Kansas" license plates.

An updated fiscal note is not available for the personalized license plates provisions.

As regards the fiscal impact of the "Autism Society of Johnson County, Kansas" license plates, the Society would pay the initial cost of silk-screening for the plates. The Society would also provide a toll-free number to county treasurers so applicants could call for information concerning the applicant process or the status of their license plate application. According to the Kansas Department of Revenue, new distinctive plates would be subject to a fee of \$40.50 paid by the applicant. Assuming the distribution of 500 plates, gross receipts of \$20,250 would be realized. The gross revenue minus the cost of manufacturing the plates totaling \$19,000 (\$20,250 minus \$1,250) would be deposited in the State Highway Fund.

The cost to manufacture the plates would be \$2.50 per plate or \$1,250, plus a one-time cost of \$1,175 for setup. The Department estimates that approximately 123 hours of a Programmer/Analyst III time would be required to make the necessary changes to the Vehicle Information Processing System to accommodate the new plates. It would cost \$12,300 to contract out this programming or \$3,690 if in-house resources were used. The total cost of enactment of this bill would be between \$6,115 and \$14,725.