

SESSION OF 2006

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 545**

As Amended by Senate Committee on  
Elections and Local Government

**Brief\***

SB 545 would eliminate the \$0.50 postage fee that counties collect for mailing license plates beginning January 1, 2007. The bill also would increase the county treasurer's additional compensation for administering the motor vehicle title and registration laws and fees beginning in calendar year 2006 from \$60 per 100 registrations for the first 5,000 registrations to \$110 per 100 registrations and from \$45 per 100 registrations for the second 5,000 registrations to \$90 per 100 registrations. The bill would add a new tier to the current schedule by allowing compensation of \$5 per 100 registrations for the third 5,000 registrations. All registrations after the first 15,000 would be compensated at the rate of \$2 per 100 registrations. The limit on total additional compensation for county treasurers would increase from \$9,800 per year to \$15,000 per year. The bill also would increase the county service fee from \$3 to \$5 for registration related transactions beginning January 1, 2007.

**Background**

Testifying in favor of the bill were several county treasurers (also members of the Kansas County Treasurer's Association). Other conferees included officials from the Kansas Departments of Revenue and Transportation.

The Senate Committee reinserted the VIPS/CAMA designation for the technology hardware fund as a clarification.

The fiscal note states that the Department of Revenue indicates SB 545 would have no effect on state revenues or expenditures, as this bill would affect only county funds. However, the agency states that if the intent of changing the name of the VIPS/CAMA Technology Hardware Fund to the VIPS Technology Hardware Fund is to restrict

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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.kslegislature.org>

the usage of this fund to expenditures on only the VIPS system, then an additional \$2,550,000 would need to be appropriated annually from the State General Fund in order to continue the current CAMA replacement project and fund salaries in the Property Valuation Division.

The Kansas Association of Counties indicates that the elimination of the postage fee would result in a loss of revenues of approximately \$250,000 to counties. Counties also would be responsible for paying for the increase in additional compensation rate for county treasurers. Offsetting the reduction in postage fee revenue and the additional expenditures for county treasurers compensation, changes in the bill would generate additional revenues of \$5.8 million (2.9 million registered transactions X \$2) for counties.