



TREASURER'S OFFICE

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To: Richard Proehl Chair of the House Transportation Committee

From: Shilo Heger, Riley County Treasurer

Re: Support of House Bill 2180

Representative Proehl and members of the House Transportation Committee thank you for allowing me to offer my testimony in support of House Bill 2180. I have had the pleasure of working on the committee that helped develop the concepts behind this legislation. I feel the collaboration among the County Treasurers, the Kansas Department of Revenue, and the legislators on both House and Senate Transportation has been invaluable. The result is a bill that will simplify the motor vehicle fee structure at the county level, make the fees retained by the counties transparent to the customer, and will increase the revenues the county receives for performing this function on behalf of the State. This new flat fee does not impact or increase property taxes or impact any fees retained by the State of Kansas, it does help counties cover the costs to fund the expenses of their Motor Vehicle Services.

Currently, the motor vehicle structure is very complicated and has been pieced together over the years. Many of the fees retained by the counties are built into the transaction and are not transparent to the customer. This bill will eliminate those individual fees and will charge a flat \$10.00 county service fee. The increase to the customer on a typical vehicle transaction would be an average increase of \$1.64.

In Riley County I have 12 employees that work 90% of the time on motor vehicle type transactions. I am able to pay for 5 of those employees with the fees currently brought in through motor vehicle transactions. The general fund paid approximately \$347,000 in salaries and benefits for the rest of those employees. By statute I am required to transfer the ending balance in the motor vehicle fund to the general fund. For the 2018 fiscal year I will transfer \$28,774. This amount does not begin to reimburse the county. The increased revenues the counties will see with this restructuring should reduce the amount currently subsidized by the county general fund.

Since 2012 and the implementation of the MOVRS system the counties have taken on more work from the State with no increase in the fees for doing so. In addition, the Department of Revenue will no longer be providing the equipment required to perform these duties (computers, printers, scanners). An increase in funding to the motor vehicle fund will insure the county will be able to pay for the replacement of the equipment as it becomes necessary. It will also allow counties to look at ways for innovations and ways to improve the services provided. For all of these reasons, I respectfully request your support on this bill. Thank you for your consideration.