

SESSION OF 2020

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 383**

As Amended by Senate Committee on  
Transportation

**Brief\***

SB 383, as amended, would authorize three distinctive license plates, reduce the number of registrations required to retain a distinctive license plate and the amount to defray State costs for developing a distinctive license plate, and provide an alternative base plate for a personalized license plate. The bill would also make technical changes.

***New License Plates***

The bill would authorize issuance of three new distinctive license plates to be available beginning January 1, 2021:

- American Legion;
- Knights of Columbus; and
- Proud Educator.

Each of those plates would be available for use on passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less. Logo use royalty payments would be required, in an amount of not less than \$25 nor more than \$100 set by the three sponsoring organizations: the American Legion, the Knights of Columbus, and the Kansas Educators Support Foundation, respectively.

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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>

Each sponsoring organization would be required to issue a logo use authorization statement if the royalty payment is made directly to the organization, provide to all county treasurers an electronic mail address where applicants can contact the sponsoring organization concerning the application process or the status of an applicant's license plate application, and design a plate with the approval of the Director of Vehicles.

The bill would require an applicant for any of these license plates to, as a condition of receiving the license plate and any subsequent renewal of it, consent to the Division of Vehicles (Division), Kansas Department of Revenue (Department), authorizing the release of the applicant's name, address, royalty payment amount, plate number, and vehicle type to the sponsoring organization and the State Treasurer.

### ***Issuance Requirements***

The bill would amend issuance requirements for new and certain continuing distinctive license plates in these ways:

- Decrease the minimum order requirement for the initial issuance of the In God We Trust or the Choose Life distinctive license plates from 1,000 to 100 plates [*Note: In God We Trust license plates have been issued*];
- Upon certification by the Director of Vehicles to the Director of Accounts and Reports that 100 or more paid orders for the In God We Trust or Choose Life license plate have been received, require the Director of Accounts and Reports to transfer \$4,000 (rather than \$40,000 in current law) from the State Highway Fund to the Distinctive License Plate Fund;

- Reduce from \$20,000 to \$5,000 the maximum amount the sponsoring person or organization for any distinctive license plate must submit to the Division for agency costs for developing such distinctive license plate;
- For educational institution license plates:
  - Remove a requirement the logo use royalty payment be established by the alumni association or foundation;
  - Decrease from 500 to 100 the number of guaranteed plates required before initial issuance;
  - Decrease from 500 to 100 the minimum number of educational institution license plates that must be issued by the end of the second year of sales before the Director must discontinue the issuance of such distinctive license plate; and
  - Decrease from 250 to 50, including annual renewals, the minimum number of distinctive license plates that must be issued during any subsequent two-year period before the Director must discontinue the issuance of such educational institution license plate.

### ***Personalized License Plate Background***

The bill would authorize the background for a standard license plate on a passenger vehicle to be used for a personalized license plate on a passenger vehicle.

### **Background**

The bill was introduced by the Senate Committee on Transportation at the request of Senator Braun.

In the Senate Committee hearing, representatives of the Kansas Educators Support Foundation and the Kansas Independent College Association (KICA) testified in support of the Proud Educator license plate portion of the bill. The KICA representative suggested clarifying a payment could be made to a designee of a benefiting entity and updating information about an accrediting body.

Representative Jacobs provided written-only testimony in support of the American Legion license plate, and Representative Sutton provided written-only testimony in support of the Knights of Columbus license plate. No other testimony was provided.

The Senate Committee amended the bill to authorize the background of a personalized license plate to be either the same as that for a passenger vehicle license plate that is not a personalized or specialized plate or specific to a personalized license plate.

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, the Department estimates enactment of the bill would increase its expenditures by \$26,418 in FY 2021 for administrative costs related to designing and manufacturing the new plates. The Department estimates the bill would increase revenues to the State Highway Fund by \$58,875 and to the Distinctive License Plate Fund by \$15,000 from a nonrefundable \$5,000 per plate fee from the sponsor of the new distinctive license plate, to defray development costs. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2021 Governor's Budget Report*.