#### SESSION OF 2024

#### **SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2498**

As Amended by Senate Committee on <u>Transportation</u>

#### Brief\*

HB 2498, as amended, would authorize issuance of a First City of Kansas distinctive license plate and would require the county of registration to be displayed on most license plates.

# First City of Kansas Distinctive License Plate

The bill would authorize issuance of a First City of Kansas distinctive license plate on and after January 1, 2025, to a vehicle owner or lessee for use on a passenger vehicle or truck registered for a gross weight of no more than 20,000 pounds.

The bill would require the vehicle owner or lessee to annually apply to the Leavenworth County Historical Society (Society) for use of its logo on this license plate and pay a logo use royalty payment of between \$25 and \$100 (as determined by the Society) to the Society or to the county treasurer at registration. The bill would require the application for use of the logo to be made not less than 60 days prior to the person's renewal of registration date.

The bill would require the Society to design the plate, with the approval of the Director of Vehicles, Kansas Department of Revenue (KDOR), and to provide to all county treasurers an email address for contacting the Society about

<sup>\*</sup>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 application process or the status of an application for the plate.

The bill would require the applicant to consent to the release of certain information by the Division of Vehicles, KDOR, including applicant name, address, royalty payment amount, plate number, and vehicle type, to the Society and the State Treasurer.

The bill would state the license plate and registration would not be transferable to any other person. The bill would authorize the Director of Vehicles to transfer the plate from a leased to a purchased vehicle.

Continuing law requires royalty fee payments collected by a county treasurer to be remitted to the State Treasurer and paid monthly to the entity benefiting from the issuance of the distinctive license plate. Continuing law also states a new distinctive license plate will not be issued unless there is a guarantee of an initial issuance of at least 250 license plates and authorizes a motorcycle version of the plate upon sponsor organization request.

### County Designation on License Plates

The bill would require each license plate furnished on and after January 1, 2025, to have the county of registration either printed or shown by decal affixed to the license plate.

The requirement would apply to a license plate for any vehicle for which the Kansas motor vehicle tax of Article 51 of Chapter 79 of the *Kansas Statutes Annotated* must be paid; that tax is not applicable to vehicles that are otherwise taxed, such as commercial motor vehicles and vehicles owned by a public service company or car rental company; motor vehicles registered for a gross weight exceeding 12,000 pounds; and recreational vehicles. The requirement also would not apply to a distinctive license plate issued to a recipient of the Congressional Medal of Honor.

# **Background**

The bill, as amended, would incorporate provisions of HB 2498 and SB 130 as amended by the Senate.

## HB 2498 (First City of Kansas License Plate)

The bill was introduced by the House Committee on Transportation at the request of Representative Proctor.

## House Committee on Transportation

In the House Committee hearing, a representative of the Leavenworth County Historical Society provided **proponent** testimony. She stated the city of Leavenworth had been settled in 1854, listed some of the notable people associated with and attractions of the city, and noted letters of support from commissioners for the proposed license plate, which the Society hopes will increase awareness of the city.

No other testimony was provided.

## Senate Committee on Transportation

In the Senate Committee hearing, a representative of the Leavenworth County Historical Society provided **proponent** testimony substantially similar to the testimony provided to the House Committee on Transportation.

The Senate Committee amended the bill to add the contents of SB 130 as passed by the Senate.

# SB 130 (County of Registration on License Plate)

The bill was introduced by the Senate Committee on Assessment and Taxation at the request of Senator Tyson.

# Senate Committee on Transportation

In the Senate Committee hearing, Senator Tyson provided **proponent** testimony, stating the designations would help law enforcement officers identify vehicles.

No other testimony was provided.

The Senate Committee amended the bill to exempt a distinctive license plate for a recipient of the Congressional Medal of Honor.

## House Committee on Transportation

In the House Committee hearing, Senator Tyson and Representative Johnson provided **proponent** testimony, stating county designations would assist law enforcement.

No other testimony was provided. Fiscal Information

# HB 2498 (First City of Kansas License Plate)

According to the fiscal note prepared by the Division of the Budget on HB 2498, as introduced, KDOR estimates enactment of the bill would increase its expenditures by \$2,340 in FY 2025 for administrative costs related to designing and manufacturing the new license plate. Under continuing law, KDOR would collect up to \$5,000 from the sponsor of the new distinctive license plate to defray the cost to develop the new plate. KDOR also indicates the plate would be subject to a \$40 personalized plate application fee if the applicant chose to personalize the license plate. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2025 Governor's Budget Report*.

# SB 130 (County of Registration on License Plate)

According to the fiscal note prepared by the Division of the Budget on SB 130, as introduced, the Department of Revenue indicates enactment of the bill would increase its expenditures by \$20,750 to change approximately 83 license plate designs to make room for the county indicator, and the agency would have additional costs of \$1,450 for IT development and testing. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2024 Governor's Budget Report*.

License plate; vehicle; Director of Vehicles; Leavenworth County Historical Society; county designation