

February 21, 2019

The Honorable Jene Vickrey, Chairperson
House Committee on Insurance
Statehouse, Room 276-W
Topeka, Kansas 66612

Dear Representative Vickrey:

SUBJECT: Fiscal Note for HB 2230 by Representative Rhiley

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2230 is respectfully submitted to your committee.

HB 2230 would require a law enforcement officer to impound the vehicle of a driver who is unable to provide proof of insurance and has previously received a citation for failure to show valid proof of insurance. The bill would also prohibit an owner from being charged a fee for the first 15 days of impoundment as well as the cost of towing, storage or any other fees that occur during the first 15 days.

According to the Kansas Highway Patrol, enactment of HB 2230 would have no fiscal effect on the agency, which would only be responsible for coordinating the towing of the vehicle. The agency states that the towing and storage of the vehicle would be the responsibility of the owner of the vehicle and the towing company.

The Kansas Department of Revenue indicates that enactment of the bill would have the potential for the Division of Vehicles to initiate vehicle impoundments based on the records it maintains. However, the fiscal effect cannot be estimated.

The League of Kansas Municipalities indicates that enactment of the bill would require local law enforcement agencies to implement the provisions of the bill, which could result in additional reporting requirements and staff time. The League also notes that the bill does not specify who would be responsible for the first 15 days of storage. However, the fiscal effect cannot be estimated.

The Kansas Association of Counties indicates that enactment of the bill may result in the impounding agency being responsible for the cost of towing, storage and other fees for the first 15 days. If a county law enforcement officer is the authority making the impoundment, the Association indicates that counties would be responsible for the cost of towing and storage that could range from \$300 to \$500 per impoundment. However, the fiscal effect cannot be estimated because the number of impoundments that would be enforced is unknown.

The Kansas Insurance Department indicates that enactment of the bill would have no fiscal effect on the agency. Any fiscal effect associated with HB 2230 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Larry L. Campbell
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Chardae Caine, League of Municipalities
Jay Hall, Association of Counties
Glenda Haverkamp, Insurance
Sherry Macke, Highway Patrol