

SESSION OF 2019

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2246

As Recommended by House Committee on
Transportation

Brief*

HB 2246 would amend requirements for distinctive license plate development and for continuing distinctive license plates.

For distinctive license plates, the bill would reduce the minimum number that must be guaranteed for initial issuance of the plate from 500 to 250. Under continuing law, the Director of Vehicles is required to discontinue the issuance of any distinctive license plate authorized on and after July 1, 2004, if certain minimum numbers of the license plates are not used. The bill would reduce the number that must be issued before the second year of sales from 500 to 250 and the number to be issued or renewed during any subsequent two-year period from 250 to 125.

The bill would reduce from \$20,000 to \$5,000 the maximum nonrefundable amount to be submitted by a sponsoring organization of a distinctive license plate to defray costs of the Division of Vehicles to develop the distinctive license plate.

For educational institution license plates, the bill would reduce the minimum number that must be guaranteed for initial issuance of the plate from 500 to 100. Under continuing law, the Director of Vehicles is required to discontinue the issuance of any educational institution license plate if certain minimum numbers of the license plates are not used. The bill would reduce the number that must be issued before the

*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>

second year of sales from 500 to 100 and the number to be issued or renewed during any subsequent two-year period from 250 to 50.

The bill also would make technical changes.

Background

The bill was introduced by the House Committee on Transportation at the request of a representative of the Department of Revenue.

At the House Committee hearing, a representative of the Division of Vehicles (Division), Department of Revenue, provided proponent testimony. She stated, because of the change to digital license plate production, the Division believes it will be able to meet its production obligations with the reduced amount to be paid by a sponsoring organization and the bill would make distinctive license plates available to smaller colleges.

The House Committee recommended the bill be placed on the Consent Calendar.

According to the fiscal note prepared by the Division of the Budget, the Department of Revenue indicates enactment of the bill would have no fiscal effect on that agency. The Board of Regents indicates enactment could result in more educational institutions receiving royalty payments for distinctive license plates, but it could not estimate how many institutions, if any, would be affected or how much revenue could be generated. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2020 Governor's Budget Report*.