



February 6, 2023

The Honorable Shannon Francis, Chairperson  
House Committee on Transportation  
300 SW 10th Avenue, Room 582-N  
Topeka, Kansas 66612

Dear Representative Francis:

**SUBJECT:** Fiscal Note for HB 2148 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2148 is respectfully submitted to your committee.

HB 2148 would reduce the personalized plate fee, plate transfer fee, special plate application fee, and vehicle registration transfer fee by \$0.75; eliminate the \$3.00 repossession title fee and the \$1.50 fee paid to a county treasurer for the lien holder's copy of a title; reduce the title fees for an original title and title fees for transfer of ownership by \$2.00; and reduce various registration fees for passenger vehicles, buses, motorcycles, tractors, trailers, antique vehicles, and other vehicles by \$0.75. The bill would also reduce 60-day temporary permit fees by \$0.75 and change the inspection permit fee from \$1.00 to \$10.00. In addition, the bill would increase the county service fee by \$5.00 while decreasing various county administrative fees. Fees related to certificates of title, transfer of ownership title, or mortgage title on a manufactured home or mobile home would also be reduced by \$2.00 along with the fee to reissue a title and non-highway and salvage titles. The bill would also eliminate the Division of Vehicles Modernization Surcharge which is a \$4 fee collected at the time of vehicle registration. The bill would take effect January 1, 2024.

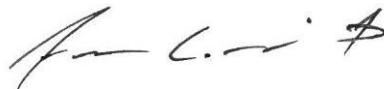
Estimated State Fiscal Effect				
	FY 2023 SGF	FY 2023 All Funds	FY 2024 SGF	FY 2024 All Funds
Revenue	--	--	--	(\$6,090,869)
Expenditure	--	--	\$33,025	\$33,025
FTE Pos.	--	--	--	--

The Department of Revenue estimates that HB 2148 would decrease revenues to the State Highway Fund (SHF) by \$6,090,869 in FY 2024 and by \$12,181,738 in FY 2025. The Department indicates that eliminating the modernization surcharge of \$4.00 would decrease revenues to the SHF by \$6,168,869 in FY 2024 and \$12,337,738 beginning in FY 2025. The Department also states that the increase of certain registration and titling fees outlined in the bill would increase the revenue to the SHF by \$78,000 in FY 2024 and \$156,000 beginning in FY 2025.

The Department indicates that the bill would require \$33,025 from the State General Fund in FY 2024 to implement the bill and to modify the motor vehicle registration system. The required programming for this bill by itself would be performed by existing staff of the Department of Revenue. In addition, if the combined effect of implementing this bill and other enacted legislation exceeds the Department's programming resources, or if the time for implementing the changes is too short, additional expenditures for outside contract programmer services beyond the Department's current budget may be required.

The Kansas Department of Transportation (KDOT) indicates that the bill would reduce state revenues to the State Highway Fund as noted above. KDOT indicates that when the state receives lower State Highway Fund dollars it may be required to reevaluate Eisenhower Legacy Transportation Program expenditures, including project lettings, programs, agency operations, or bonding needs. Any fiscal effect associated with HB 2148 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt  
Director of the Budget

cc: Lynn Robinson, Department of Revenue  
Brendan Yorkey, Department of Transportation