



January 28, 2026

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 2414 by Representative Rhiley

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2414 is respectfully submitted to your committee.

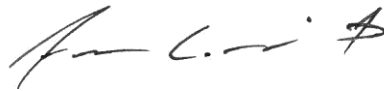
HB 2414 would create the EV Energy Equity Road Repair Tax (EVEERRT) Act. The bill would impose a road repair tax on electricity distributed at a public charging station location. The tax would be imposed regardless of whether the public charging station charges for the electricity or provides the electricity for free. The road repair tax would be equal to \$0.09 per kilowatt-hour of electricity provided to an electric vehicle at a public charging station. The bill would require the owner of the public charging station to collect and remit the tax to the Director of Taxation, who would remit the taxes to the State Treasurer to the credit of the State Highway Fund. The Secretary of Revenue would be authorized to adopt rules and regulations to establish the criteria and procedures for the licensing of public charging stations and reporting of the energy provided. Owners of a public charging station would be required to render the road repair tax to the Director of Taxation within the time required by the Director under rules and regulations. Owners would also be required to keep and maintain all books, papers, and records required to be kept and maintained by the Act for a period of three years or make them fully and freely accessible during business hours to the Director or their deputy or agent. Failure, neglect, or refusal to render the road repair tax to the Director would constitute a violation of the Act and would be a misdemeanor punishable by a fine of \$25 per kilowatt-hour of energy that such tax is found to not have been remitted, imprisonment in the county jail for not less than 30 days and no more than one year, or both.

The Department of Revenue estimates that enactment of the bill would increase revenue to the State Highway Fund by \$2,351,816 in FY 2027, \$2,662,389 in FY 2028, and \$2,818,660 in

FY 2029. The Department notes that enactment of the bill would also reduce revenue to the State General Fund from sales tax no longer collected at public charging stations, but that this effect cannot be determined. The Department indicates the bill would require \$675,345 from the State General Fund in FY 2027 to implement the bill and modify the automated tax system. Of this amount, \$201,925 would be for an additional 2.00 positions and associated administrative costs and \$473,420 would be for IT and quality assurance costs. 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 Department of Transportation indicates the bill would not require changes to its staff or operating expenditures. The Department notes that of the estimated \$2,351,816 increase in State Highway Fund revenues in FY 2027, \$701,037 would be from Level 2 charging ports and \$1,650,778 would be from Direct Current Fast Charger charging ports. Any fiscal effect associated with HB 2414 is not reflected in *The FY 2027 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish or symbol.

Adam C. Proffitt
Director of the Budget

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