

SESSION OF 2025

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2168

As Amended by Senate Committee on
Transportation

Brief*

HB 2168, as amended, would authorize issuance of the distinctive blackout license plate on and after January 1, 2026, for use on a passenger vehicle or truck registered for a gross weight of 20,000 pounds or less. The bill would also establish the License Plate Replacement Fund (Fund).

The bill would establish the procedures for a vehicle owner or lessee to obtain the license plate through initial or renewal of registration for a distinctive blackout license plate and pay an annual fee of \$50 for each such license plate issued. An application for a distinctive blackout license plate would be on a form prescribed and furnished by the Director of Vehicles (Director), Kansas Department of Revenue (KDOR).

The bill would establish the Fund, which would be administered by the Secretary of Revenue (Secretary). The expenditures from the Fund would be for costs associated with replacing license plates when the lifespan of such license plates is exhausted as determined by the Director. Annual blackout license plate fees collected by the county treasurers would be credited to the Fund.

The bill would authorize the Director to transfer a blackout license plate from a leased vehicle to a purchased vehicle.

The bill would be in effect upon publication in the *Kansas Register*.

*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 <https://klrd.gov/>

Background

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

House Committee on Transportation

In the House Committee hearing, **proponent** testimony was provided by a representative of KDOR. The proponent stated that all funds from the distinctive blackout license plate would go to the Fund and be used by KDOR to replace aging license plates. The representative also noted the popularity of the distinctive blackout license plate in other states, including Minnesota, where 271,000 distinctive blackout license plates were sold in the first year of availability, and 750,000 distinctive blackout license plates were sold in Iowa when Iowa's program began 6 years ago.

No other testimony was provided.

The House Committee adopted a technical amendment to add standard language directing the fees to the Fund that would be established by the bill.

Senate Committee on Transportation

In the Senate Committee hearing, **proponent** testimony was provided by a representative of KDOR. The proponent stated that the blackout-style license plate is popular in other states and the revenue generated by such plates would help KDOR replace remaining embossed license plates and other aging license plates that are difficult to read.

No other testimony was provided.

The Senate Committee amended the bill to make the effective date to be upon publication in the *Kansas Register*.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department of Revenue estimates enactment of the bill would increase its expenditures by \$2,890 in FY 2026 for administrative costs related to designing and manufacturing the new plate. The Department estimates the bill would decrease revenues to the State Highway Fund by \$4,000 in FY 2026. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2026 Governor's Budget Report*.

Transportation; distinctive license plates; blackout license plate; License Plate Replacement Fund