TESTIMONY BEFORE THE KANSAS STATE LEGISLATURE HOUSE COMMITTEE ON TRANSPORTATION House Bill 2432: Providing For a Ducks Unlimited License Plate Tuesday, February 07, 2012, 1:30 PM Room 783-DSOB

Representative Hayzlett, Representative Prescott, Representative Wetta and members of the House Standing Committee on Transportation:

My name is Gary Mellard of Overland Park KS. I am the State Chairman of Kansas Ducks Unlimited. I am joined by Robert Satoff of Topeka KS, a member of the Ducks Unlimited Board of Directors and a Past State Chairman of Kansas Ducks Unlimited; John Ritchie of St. George KS, the Ducks Unlimited Regional Director for Northern Kansas; and Russell Hawley of Baldwin City KS, the Ducks Unlimited Regional Director for Eastern Kansas.

We thank you for allowing me to share Ducks Unlimited's mission, vision and how we envision a Ducks Unlimited Kansas motor vehicle license plate be of benefit to Ducks Unlimited and the people of Kansas.

DU got its start in 1937 during the Dust Bowl when North America's drought-plagued waterfowl populations had plunged to unprecedented lows. Determined not to sit idly by as the continent's waterfowl dwindled beyond recovery, a small group of sportsmen joined together to form an organization that became known as Ducks Unlimited.

DU's mission is to conserve, restore, and manage wetlands and associated habitats for North America's waterfowl. These habitats also benefit other wildlife and people.

Thanks to decades of abiding by that single mission, Ducks Unlimited is now the world's largest and most effective private waterfowl and wetlands conservation organization. DU is able to multilaterally deliver its work through a series of partnerships with private individuals, landowners, agencies, scientific communities and other entities.

Waterfowl conservation is facing important challenges as wetlands and other habitats are being degraded and destroyed across the continent. Ducks Unlimited has a vision to reverse this trend.

The vision of Ducks Unlimited is wetlands sufficient to fill the skies with waterfowl today, tomorrow and forever. DU achieves our vision through diverse public and private partnerships to address the full range of factors that continue to erode waterfowl habitat across North America.

Ducks Unlimited is a grassroots, volunteer-based organization. Its members are conservationists and outdoor enthusiasts who live primarily throughout the United States, Canada and Mexico.

DU volunteers host more than 4,000 grassroots fundraising events annually across the Unites States, such as member and sponsor banquets, shooting and fishing tournaments, and golf outings. Event dollars represent some of DU's most important sources of revenue. Since event dollars are typically unrestricted, DU is able to spend these funds in our highest priority areas and use them to leverage additional funds from other sources.



Last year, the 15,000 Kansas Ducks Unlimited members raised over \$1.1 million. Of the dollars raised by Ducks Unlimited, over 80 percent goes directly on the ground for waterfowl and wetlands conservation and education. Ducks Unlimited, Inc. is tax exempt under section 501 (c)(3) of the Internal Revenue Code. Our tax identification number is: 13-5643799.

The first map attached to this testimony displays the Ducks Unlimited projects across North America. Since 1937, DU has completed more than 20,000 projects and conserved over 12 million acres in North America.

The second map shows DU projects across Kansas. Through DU, a total of almost 18,000 acres have been conserved in Kansas.

We thank Rep Hoffman for introducing HB 2342, Providing For a Ducks Unlimited License Plate. Many states have such a DU license plate and we look forward to joining that list. This is our tentative Kansas Ducks Unlimited license plate proposal:



The DU "Duckhead" logo is immediately recognized across North America. This license plate will allow our members to display their DU loyalty and will provide immediate recognition of the State of Kansas to other DU members across the Nation. While some states have used more elaborate, multi-color designs, Kansas Ducks Unlimited believes that a simple, yet eye-catching design provides the most recognition combined with maximizing the financial benefit to our ultimate cause – the conservation of wetlands.

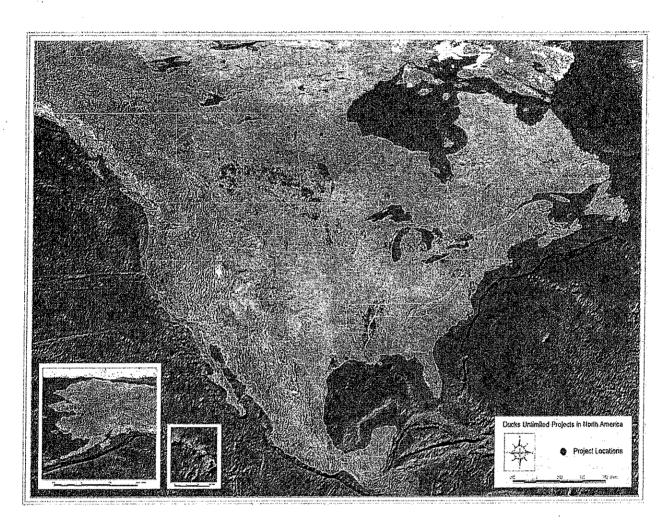
Kansas Ducks Unlimited respectfully requests that this Committee note that one item of the "Fiscal Note for HB 24332 by Representative Hoffman", from Mr. Steven J. Anderson, Director of the Budget, dated January 24, 2012 does not exactly comply with KSA 80-1,141, as follows:

The sentence; "The Department indicates that the sponsor of a new specialty plate is required to provide the \$20,000 nonrefundable fee under the provisions of KSA 80-1,141 for the purpose of defraying the cost to develop the new plate.",

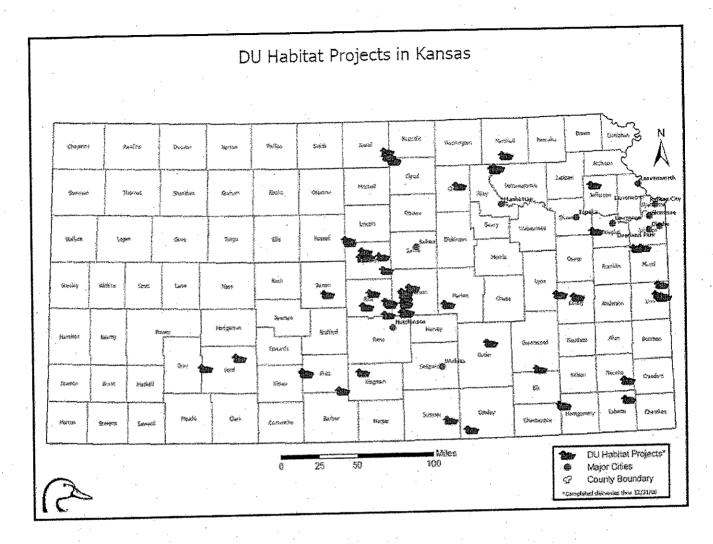
should be: "The Department indicates that the sponsor of a new specialty plate is required to provide a nonrefundable fee not to exceed \$20,000 under the provisions of KSA 80-1,141 for the purpose of defraying the cost to develop the new plate." to comply with the provisions of KSA 80-1,141. We have provided a copy KSA 80-1.141 - "Distinctive license plates; procedures for issuance; requirements; fees; exceptions; discontinuance of certain plates" with the pertinent text highlighted, and a copy of the Fiscal Note, with the text in question highlighted.

Thank you for allowing us to testify before your committee. And, a special "Thank you" to Representative Hoffman for introducing HB 2432. Above all, thank you for your support of "The Ducks".

We will answer any questions you may have.



Ducks Unlimited Projects – North America



Ducks Unlimited Projects - Kansas

8-1,141 Chapter 8.--AUTOMOBILES AND OTHER VEHICLES Article 1.--GENERAL PROVISIONS

- 8-1,141. Distinctive license plates; procedure for issuance; requirements; fees; exceptions; discontinuance of certain plates. (a) Any new distinctive license plate authorized for issuance on and after July 1, 1994, shall be subject to the personalized license plate fee prescribed by subsection (c) of K.S.A. 8-132, and amendments thereto. This section shall not apply to any distinctive license plate authorized prior to July 1, 1994.
- (b) The director of vehicles shall not issue any new distinctive license plate authorized for issuance on and after July 1, 1995, unless there is a guarantee of an initial issuance of at least 500 license plates.
- (c) The provisions of this section shall not apply to distinctive license plates issued under the provisions of K.S.A. 8-1,145, or K.S.A. 2009 Supp. 8-177d, and amendments thereto.
- (d) The provisions of subsection (a), shall not apply to distinctive license plates issued under the provisions of K.S.A. 8-1,146 or 8-1,148, and amendments thereto, or K.S.A. 2009 Supp. 8-1,153, 8-1,158 or 8-1,161, and amendments thereto.
- (e) The provisions of subsection (f) shall not apply to distinctive license plates issued under the provisions of K.S.A. 2009 Supp. 8-1,160, and amendments thereto, except that the division shall delay the manufacturing and issuance of such distinctive license plate until the division has received not less than 1,000 orders for such plate, including payment of the personalized license plate fee required under subsection (a). Upon certification by the director of vehicles to the director of accounts and reports that not less than 1,000 paid orders for such plate have been received, the director of accounts and reports shall transfer \$40,000 from the state highway fund to the distinctive license plate fund.
- (f) (1) Any person or organization sponsoring any distinctive license plate authorized by the legislature on and after July 1, 2004, shall submit to the division of vehicles a nonrefundable amount not to exceed \$20,000, to defray the division's cost for developing such distinctive license plate.
- (2) All moneys received under this subsection shall be remitted by the secretary of revenue to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the distinctive license plate fund which is hereby created in the state treasury. All moneys credited to the distinctive license plate fund shall be used by the department of revenue only for the purpose associated with the development of distinctive license plates. All expenditures from the distinctive license plate application fee fund shall be made in accordance with appropriation acts, upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of the department of revenue.
- (g) (1) Except for educational institution license plates issued under K.S.A. 8-1,142, and amendments thereto, the director of vehicles shall discontinue the issuance of any distinctive license plate authorized prior to July 1, 2004, and which is subject to the provisions of subsection (b) if:
- (A) Less than 500 license plates, including annual renewals, are issued for that distinctive license plate by July 1, 2006; and
- (B) less than 250 license plates, including annual renewals, are issued for that distinctive license plate during any subsequent two-year period after July 1, 2006.
- (2) The director of vehicles shall discontinue the issuance of any distinctive license plate authorized on and after July 1, 2004, if:
- (A) Less than 500 plates, including annual renewals, are issued for that distinctive license plate by the end of the second year of sales; and
- (B) less than 250 license plates, including annual renewals, are issued for that distinctive license plate during any subsequent two-year period.

History: L. 1994, ch. 12, § 2; L. 1995, ch. 84, § 2; L. 1997, ch. 40, § 2; L. 1999, ch. 125, § 10; L. 2004, ch. 170, § 1; L. 2007, ch. 161, § 2; L. 2008, ch. 59, § 2; L. 2009, ch. 89, § 4; Apr. 23.

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Steven J. Anderson, C. 155, MBA, Division

Division of the Budget

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January 24, 2012

The Honorable Gary Hayzlett, Chairperson House Committee on Transportation Statehouse, Room 274-W Topeka, Kansas 66612

Dear Representative Hayzlett:

SUBJECT: Fiscal Note for HB 2432 by Representative Hoffman

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2432 is respectfully submitted to your committee.

HB 2432 would create a "Ducks Unlimited" distinctive license plate. The bill would allow any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less to apply for the new plate after paying a fee to Ducks Unlimited between \$25 and \$100 as a logo use royalty payment. Ducks Unlimited would be required to pay the initial cost of silk-screening for the license plates; provide all county treasurers with a toll-free telephone number where applicants can call for information concerning the application process or the status of their application; and design the license plate to be issued.

	Estimate	d State Fiscal Effe	et	
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue		American Service Commence of the Commence of t		\$35,870
Expenditure		34. db		\$24,780
FTE Pos.		**	**	. 5

The Department of Revenue estimates that HB 2432 would increase revenue to the Distinctive License Plate Fund by \$20.000 in FY 2013. The Department indicates that the sponsor of a new specialty plate is required to provide the \$20.000 incorrefundable fee under the provisions of KSA 8-1.141 for the purpose of defraying the cost to develop the new plate. If the 500 license plate minimum is met, new distinctive plates are also subject to a \$40 personalized plate fee under these provisions, which would increase revenue to the State Highway Fund by \$15.870. This amount is offset with additional manufacturing costs of \$8.26 per plate (\$40 x 500 plates = \$20.000-\$4.130 (\$8.26 x 500 plates) = \$15.870).

The Honorable Gary Hayzlett, Chairperson January 24, 2012 Page 2—2432

The Department estimates that HB 2432 would increase expenditures from the Division of Vehicles Operating Fund in FY 2013 by \$24,780 to design, manufacture, and ship 3,000 license plates to the county treasurer offices, which would be required in order to have sufficient inventory in all counties. The Department estimates the costs to modify the motor vehicles system to implement the provisions in the bill would be negligible and could be absorbed within existing resources. Any fiscal effect associated with HB 2432 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

cc: Steve Neske, Revenue