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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

## February 20, 2013

## **REVISED**

The Honorable Richard Proehl, Chairperson House Committee on Transportation Statehouse, Room 581-W Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Revised Fiscal Note for HB 2311 by House Committee on Transportation

In accordance with KSA 75-3715a, the following revised fiscal note concerning HB 2311 is respectfully submitted to your committee.

HB 2311 would increase the monthly penalty for delinquent registration or renewal registration of any vehicle from \$1 to \$10, not to exceed a maximum of \$50. The penalty would be waived for active military members serving outside of Kansas when the registration expired and the vehicle was not operated on any public roadway until applying for renewal. The penalty for late registration renewals for trucks with prorated registration would increase from \$2 to \$10 for each fleet vehicle.

The penalty for late application for a certificate of title, nonhighway title, salvage title, or a nonrepairable vehicle certificate would increase from \$2 to \$10. The penalty for late application of nonhighway titles or salvage titles could not exceed \$50 and could be reduced to no less than \$10 for good cause shown.

Estimated State Fiscal Effect				
	FY 2013	FY 2013	FY 2014	FY 2014
	SGF	All Funds	SGF	All Funds
Revenue				\$2,123,000
Expenditure				\$23,100
FTE Pos.				

Since the original fiscal effect statement was issued, the Department of Revenue has provided information on the fiscal effect of this bill. The Department of Revenue estimates that the higher title and registration penalties established in HB 2311 would increase revenues to the

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State Highway Fund by approximately \$2.1 million in FY 2014. The Department indicates that the provisions in the bill would increase expenditures by \$23,100 from the Division of Vehicles Modernization Fund in FY 2014 to program the motor vehicle system. Any fiscal effect associated with HB 2311 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

cc: Steve Neske, Revenue