#### SESSION OF 2023

### SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2346

### As Amended by Senate Committee on Transportation

### Brief\*

HB 2346, as amended, would authorize "back the blue" and City of Topeka distinctive license plates; require each license plate furnished to have the county of registration either printed or shown by decal affixed to the license plate, on and after January 1, 2024; and permit any distinctive license plate to also be a personalized plate, on and after January 1, 2025.

# Back the Blue License Plate

The bill would authorize a "back the blue" distinctive license plate to be issued to any Kansas resident who is an owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less, beginning January 1, 2024.

The bill would require a \$30 law enforcement support fee for each plate issued to support the Kansas Chapter of Concerns of Police Survivors (COPS), Inc.

An applicant for the license plate could apply for the license plate beginning 60 days prior to their renewal of registration date on a form designated by the Director of Vehicles. No license plate or registration issued pursuant to the bill would be transferable to any other person, but the Director could transfer the distinctive licenses plate from a leased vehicle to a purchased vehicle.

<sup>\*</sup>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 http://www.kslegislature.org

The bill also would require renewals of registrations to be made annually in the manner provided in continuing law. No renewal would be allowed until an applicant has paid the county treasurer the law enforcement support fee and, if payment of the support fee is not made at the time of registration, the applicant would be required to return the license plate to the treasurer of the county of the person's residence.

The bill would require COPS to provide an email address to all county treasurers for an applicant to call for information concerning the application process or the status of the license plate application.

The bill would require the license plate to have a background design with an emblem or colors that designate the plate as a back the blue license plate.

As a condition of receiving the license plate or subsequent registration renewal, the applicant would be required to provide consent to the Division authorizing release of the applicant's name, address, law enforcement support fee payment amount, plate number, and vehicle type to the State Treasurer and COPS.

The back the blue plates established by the bill would be exempt from the requirement for distinctive license plate sponsors to submit a nonrefundable amount of up to \$5,000 to defray the Division's costs of developing the plates, but manufacturing and issuance of the plates would be conditioned upon receipt of a minimum order of 100 plates with payment of the personalized license plate fee as specified in continuing law. A transfer of \$4,000 from the State Highway Fund to the Distinctive License Plate Fund would be made once the minimum number of paid orders has been received. Continuing law also requires the Division to produce this distinctive license plate for a motorcycle upon request by the sponsoring organization.

## City of Topeka License Plate

The bill would authorize a City of Topeka license plate for use on a passenger vehicle or a truck registered for a gross weight of 20,000 pounds or less, for issuance on or after January 1, 2024.

The license plate would display an image of the City of Topeka flag. The bill would require a person desiring this plate to make a flag image payment, which would be paid to the Greater Topeka Partnership Inc. as the city's designee. The bill would require a change of designee to be by mutual agreement of the City of Topeka and the Greater Topeka Partnership.

The bill would require the vehicle owner or lessee to apply for the new license plate at least 60 days prior to their renewal of registration date, on a form provided by the Director of Vehicles (Director), Kansas Department of Revenue (Department), after making a flag image payment of between \$25 and \$100 to the county treasurer. Payment of the regular license fee would also be required.

The registration or license plate would not be transferable to any other person. The bill would authorize the Director to approve transfer of the plate from a leased vehicle to a purchased vehicle. The design of the plate would be subject to approval by the Director.

The bill would state that the City of Topeka flag was designed through a community input process managed by the Greater Topeka Partnership, adopted by the city's governing body in 2019, and no individual or entity has intellectual property rights regarding use of its image.

Under continuing law, City of Topeka license plates will not be issued unless there is a guarantee of an initial issuance of least 250 license plates, and a nonrefundable amount not to exceed \$5,000 is submitted to defray costs of the Division of Vehicles (Division) within the Department for developing the distinctive license plate. Continuing law also requires the Division to produce this distinctive license plate for a motorcycle upon request.

## **Require County Designation on License Plates**

The bill would require each license plate furnished on and after January 1, 2024, to have the county of registration either printed or shown by decal affixed to the license plate.

The requirement would apply to a license plate for any vehicle for which the Kansas motor vehicle tax of Article 51 of Chapter 79 of the *Kansas Statutes Annotated* must be paid; that tax is not applicable to vehicles that are otherwise taxed, such as commercial motor vehicles and vehicles owned by a public service company or car rental company; motor vehicles registered for a gross weight exceeding 12,000 pounds; and recreational vehicles. The requirement would not apply to a distinctive license plate issued to a recipient of the Congressional Medal of Honor.

# Personalized Specialized License Plates

The bill would permit, on and after January 1, 2025, any distinctive license plate to also be a personalized plate as prescribed by current law. Under the bill, any license plate that is both distinctive and personalized would be subject to a doubling of the fee for a personalized plate, which is \$40.

The fee would not be doubled if the license plate is one for which eligibility is related to military honors or service or is one of four specialized license plates for which royalty payments go to state entities: Children's Trust Fund, helping schools, breast cancer research, and support Kansas arts license plates.

# Background

As amended by the Senate Committee on Transportation, the bill includes provisions of HB 2346, SB 130, SB 229, and HB 2149.

## HB 2346 – Back the Blue License Plate

The bill was introduced by the House Committee on Transportation at the request of Representative Melton.

## House Committee on Transportation

At the House Committee hearing, **proponent** testimony was provided by a representative of the Kansas City, Kansas, Fraternal Order of Police Lodge #4, who stated the bill would allow Kansans to show support for law enforcement officers and would provide funding to support law enforcement officer training. [*Note:* The bill, as introduced, would have designated a law enforcement training support fee for each plate issued to be deposited into the Local Law Enforcement Training Reimbursement Fund.]

Written-only proponent testimony was provided by a representative of the Kansas Association of Chiefs of Police, Kansas Peace Officers Association, and Kansas Sheriffs Association.

No other testimony was provided.

The House Committee amended the bill to:

- Make COPS the benefiting entity, and
- Exempt the back the blue license plate from the plate development fee and make it subject to a minimum paid order requirement of 100 orders prior to manufacture and issuance.

# Senate Committee on Transportation

In the Senate Committee hearing, a representative of the Kansas Association of Chiefs of Police, Kansas Peace Officers Association, and Kansas Sheriffs Association provided **proponent** testimony. A representative of the Kansas Fraternal Order of Police Lodge #4 provided writtenonly proponent testimony. Proponents stated the license plate would show support for law enforcement and provide funds to aid survivors of law enforcement officers killed in the line of duty. No other testimony was provided.

The Senate Committee amended the bill to add the contents of:

- SB 130, regarding county designations;
- SB 229, as passed by the Senate, regarding a City of Topeka license plate; and
- HB 2149, regarding personalized specialized license plates, with an amendment to change the beginning date from January 1, 2024, to January 1, 2025.

# SB 130 – Require County Designation on License Plates

The bill was introduced by the Committee on Taxation at the request of Senator Tyson.

# Senate Committee on Transportation

In the Senate Committee hearing, Senator Tyson provided **proponent** testimony, stating the designations would help law enforcement officers identify vehicles. There was no other testimony.

The Senate Committee amended the bill to exempt a distinctive license plate for a recipient of the Congressional Medal of Honor from the requirement.

# House Committee on Transportation

In the House Committee hearing, Senator Tyson and Representative Johnson provided **proponent** testimony. They stated a county identifier on license plates will help law enforcement properly identify a vehicle.

# SB 229 – City of Topeka License Plate

The bill was introduced by the Senate Committee on Commerce at the request of Senator O'Shea. The bill was referred to the Senate Committee on Transportation.

## Senate Committee on Transportation

In the Senate Committee hearing, **proponent** testimony was provided by representatives of the City of Topeka, Forge Young Talent, and Greater Topeka Chamber of Commerce, and by a private citizen. The proponents described the symbolism of the City of Topeka flag and noted the flag's significance in developing civic pride.

Written-only proponent testimony was provided by Senator O'Shea.

No other testimony was provided.

# House Committee on Transportation

In the House Committee informational hearing after SB 229 was transferred to the House Committee on Legislative Modernization, **proponent** testimony was provided by representatives of the City of Topeka, Forge Young Talent, Greater Topeka Chamber of Commerce, and Plug and Play

Topeka, and by a private citizen. Proponents stated the license plate would allow Topekans to show their civic pride, in this way. No other testimony was provided.

### HB 2149 – Personalized Specialized License Plates

The bill was introduced by the House Committee on Transportation at the request of Representative Hoheisel.

### House Committee on Transportation

In the House Committee hearing, **proponent** testimony was provided by a private citizen from Wichita, who stated the bill would remove the need for Kansans to choose between a distinctive or a personalized plate and would increase revenues for the Distinctive License Plate Fund.

Neutral testimony was provided by a representative of the Division of Vehicles, who indicated she would support the bill if it were amended to ensure certain types of plates could not be issued with duplicate identifiers. Neutral written-only testimony was provided by a representative of the Kansas Sheriffs' Association and the Kansas Peace Officers Association, who also indicated a desire to assure multiple plates with the same identifier cannot be issued.

No other testimony was provided.

The House Committee amended the bill to specify distinctive plates otherwise exempt from relevant provisions could be personalized and would be subject to the \$40 personalized license plate fee in current law.

### Senate Committee on Transportation

In the Senate Committee hearing, a private citizen from Wichita provided **proponent** testimony describing the success of the distinctive license plate showing the Wichita flag and predicting increases in popularity of distinctive license plates.

A representative of the Division of Vehicles provided neutral testimony, requesting the implementation date be changed from January 1, 2024, to January 1, 2025, which would coincide with the next renewal of personalized license plate combinations.

No other testimony was provided.

Upon amending the contents of HB 2149 into HB 2346, the Senate Committee amended its provisions to change the implementation date from January 1, 2024, to January 1, 2025.

### **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on HB 2346, as introduced, the bill would increase Department expenditures by \$2,500 in FY 2024 for administrative costs related to designing and manufacturing the new plate. The Department estimates the bill would increase revenues to the State Highway Fund by \$9,813, based on an initial issuance of 250 license plates.

According to the fiscal note prepared by the Division of the Budget on SB 130, as introduced, the Department indicates enactment of the bill would increase its expenditures by \$20,750 to change approximately 83 license plate designs to make room for the county indicator, and the agency would have additional costs of \$1,450 for IT development and testing.

According to the fiscal note prepared by the Division of the Budget on SB 229, as introduced, the Department estimates enactment of the bill would increase FY 2024 revenues by \$10,000, of which \$9,813 would be remitted to the State Highway Fund and \$187 would be retained by county treasurers. KDOR estimates the bill would increase revenues to the Distinctive License Plate Fund by \$5,000, to defray the cost to develop the new license plate. The Department estimates that enactment of the bill would increase expenditures by \$3,750 in FY 2024 for costs related to designing and manufacturing the new plate.

According to the fiscal note prepared by the Division of the Budget on HB 2149, as introduced, the Department estimates enactment of the bill would increase administrative costs by at least \$87,750 with additional IT costs up to \$25,600 to implement the provisions of the bill. The Department also indicates enactment of the bill could increase revenues to the Distinctive License Plate Fund by as much as \$1.6 million if 20,000 individuals paid for the personalized distinctive plates.

Any fiscal effect associated with enactment of HB 2346, as amended by the Senate Committee, is not reflected in *The FY 2024 Governor's Budget Report*.

Distinctive license plate; personalized license plate; Back the Blue; City of Topeka; flag; motor vehicles; fees