

Nick Jordan, Secretary
Lisa Kaspar, Director

Sam Brownback, Governor

TESTIMONY

TO: Chairman Proehl & Members of the House Transportation Committee
From: Ted E. Smith, Staff Attorney,
Kansas Department of Revenue
Date: March 15, 2016
Re: Testimony for Senate Bill 405 (2016)

Good afternoon Chairman Proehl and Members of the Committee:

Thank you for the opportunity to appear today and testify on behalf of the Division of Vehicles, Kansas Department of Revenue, in support of Senate Bill 405 (2016) (Bill).

This Bill has been introduced at the request of the Division of Vehicles and would permit the Division to issue salvage brand titles to applicable Travel Trailers. Presently, the Division is limited to issuing salvage brands on "Motor Vehicles" only.

The State definition for "Motor Vehicles" does not include "Travel Trailers", for a motor vehicle is required to be self-propelled. A Travel Trailer means every vehicle without motive power designed to be towed by a motor vehicle constructed primarily for recreational purposes.

Out of state Travel Trailers, with a designation of salvage/non-highway, that are brought into Kansas for resale result in having their titles "washed" to a highway title status. Kansas dealers and/or consumers end up purchasing previously salvaged Travel Trailers without knowing this due to relying on the accuracy of the Kansas title or the buyer attempts to title and register the trailer out of state and the salvage brand gets reapplied which results in a significant reduction in the resale value of the Travel Trailer, to the surprise of the buyer.

When dealing with highway use (titling and registration), Kansas law resorts to a broad "Vehicle" definition that includes Travel Trailers. See K.S.A. 8-134, K.S.A. 8-135, and K.S.A. 8-143, and amendments thereto. When dealing with non-highway or salvage brands, Kansas law resorts to "Motor Vehicle". See K.S.A. 8-197, and amendments thereto. The Division's amendment would add a subsection to K.S.A. 2014 8-197, that specifically includes "Travel Trailers" into the definition of Motor Vehicle for purposes of K.S.A. 2014 Supp. 8-197.

The four surrounding states and Texas have statutory provisions that permit those states to issue a salvage brand for a travel trailer.¹ This Bill would make State law more consistent with those nearby states.

The Division of Vehicles will have no fiscal and administrative impact if this bill is approved into law.

On behalf of the Division of Vehicles, I would ask for the Committee's support in approving Senate Bill 405 (2016). The Division has the support of the Kansas Highway Patrol, Kansas Automobile Dealers Association and significant portion of the Recreational Vehicle/Travel Trailer dealer industry.

Thank you again for your serious consideration of this Bill.

¹ Missouri Revised Statutes 301.010.1(51); Oklahoma Revised Statutes 47-1105 - basis term is "salvage vehicle" and issue of motive power (motor vehicle) is not a criteria for determining whether a vehicle is salvage or not; Texas has incorporated trailer/semitrailers into their motor vehicle definition; Colorado Revised Statutes 42-6-102 - Colorado incorporates semitrailers and trailers (without motive power) into its definition of motor vehicles for purposes of salvage brand designations; and Nebraska Revised Statutes 60-171 - defines salvage around salvage vehicle and not salvage motor vehicle.