

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairperson Mike Petersen at 8:30 am on Tuesday, February 17, 2015, 546-S of the Capitol.

All members were present except:

Senator Jeff King – Excused

Committee staff present:

Jill Shelley, Legislative Research Department

Whitney Howard, Legislative Research Department

Adam Siebers, Office of Revisor of Statutes

Carolyn Long, Kansas Legislative Committee Assistant

Scott Wells, Office of Revisor of Statutes

Conferees appearing before the Committee:

Lisa Kaspar, Director of Vehicles, Kansas Department of Revenue

Others in attendance:

[See Attached List](#)

The Chairman drew the Committee's attention to documents prepared by Jill Shelley, Legislative Research, showing Fees Related to Commercial Driver's License Testing (**SB 126**) ([Attachment 1](#)) and License Plate Fees (**SB 174**) ([Attachment 2](#)).

Hearing on: SB126 — Commercial driver's license test, fee.

Chairperson Petersen opened the Hearing on **SB 126**. Adam Siebers, Assistant Revisor, informed the Committee that this legislation would authorize the Department of Revenue to assess a \$15 fee for the drive test portion of the Commercial Driver's License (CDL) and an additional \$10 for a retest of any failed portion.

The Chairperson welcomed Lisa Kaspar, Director of Vehicles, Department of Revenue, who explained that the new test fee would allow the Division of Vehicles to retain the proposed fee for the purpose of covering costs associated with the administration of commercial drive tests. The drive test has three components: Pre-trip, Skills, and Road. Applicants may take the written or drive test four times within a six-month period. In 2014, 7,282 CDL drive tests were administered and out of that number 2,084 did not pass. This legislation would allow for recuperation of costs. In order to comply with the American Association of Motor Vehicles Administrators standards, the agency must pay for background checks, drug tests, and training for all examiners which adds additional costs to the CDL drive test. Division staff are in the process of implementing provisions of **HB 2693**, passed in 2014, to develop a certification program, which would include training and certification of technical schools, community colleges, and third party testers ([Attachment 3](#)).

Ms. Kaspar introduced Kent Selk, CDL Manager, who stood for questions from the Committee.

- When asked what other states charge, his response was that Colorado had third party testing charging as high as \$225, Nebraska also had third party testing with no maximum amount set,

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and Oklahoma and Missouri charged \$25.

- They are not asking for an amount equal to what the current skills testing costs in an attempt to keep costs down for the consumer. They also hope to partner with the Kansas Department of Transportation regarding maintenance and replacement of CDL courses.
- The proposed increase is an attempt to reduce client wait time and was planned prior to budget cuts. A CDL is viable for a period of four years and no skills test is required for renewal.
- The Division is currently working on third party outsourcing with the community and technical colleges. Definitions are currently being developed for the training certification program and Senator Schmidt asked for an update on the rules and regulations for this program.

There being no further discussion, the Hearing on **SB 126** was closed.

Hearing on: SB174 — Manufacture and issuance of license plates, fees.

Chairman Petersen opened the Hearing on **SB 174**. Adam Siebers, Assistant Revisor, informed the Committee that this proposed legislation would allow the Department of Revenue to assess a fee of up to \$8 for the manufacturing of license plates. Revenues would be deposited to a newly created License Plate Manufacturing Fee Fund to be used by the Department for procedures related to the issuance of vehicle registration license plates. Plates would be shipped directly to the registered owner, lessee, or county treasurer.

The Chairperson recognized Ms. Kaspar, who stated that expenditures from this newly created fund would begin January 1, 2017. Currently plates are ordered and manufactured in bulk and shipped to county motor vehicle offices where they are stored and issued as needed. Quantities are ordered based on the estimated number of plates expected to be issued. In 2014, 215,601 more plates were produced than were issued.

The Division of Vehicles would move to a Digital License Plate Production model which is a flat license plate with the combination digitally printed on the surface. This procedure includes an order fulfillment process wherein the customer is issued a temporary receipt at registration and upon completion of the plate, the plate is mailed directly to the consumer. Currently plates have been manufactured for the past 40 years by Center Industries and it is the Department's intention to continue that relationship, as the order fulfillment process would result in continued employment for Center Industries. Staggered license plate replacement is being recommended on an eight-year cycle. It is felt that this proposed legislation would create flexibility and options for the customer, and eliminate waste and create efficiencies for those in the license plate manufacturing industry and the Division.

Stakeholder meetings have been held, including some with the Highway Patrol concerning verification of current plate purchase and the display of said verification ([Attachment 4](#)).

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Ms. Kaspar introduced Debra Wiley, Manager, Budget, Contracts, Grants, Inventory & Quality Assurance, Division of Vehicles. Responding to Committee questions, Ms. Wiley responded:

- The \$8 fee would cover labor, manufacturing, and mailing of the digital plate.
- Plates would require 7-10 days to be manufactured and mailed to consumer. Personalized plates would be replaced every five years but the Director of Vehicles, at her discretion, may extend the replacement period to eight years.
- When asked about the receipt that would be issued when applying for a permanent license, the response was they are still working out the details.
- When asked if a Request for Proposals (RFP) had been done in the 40 years the Division has retained Century Industries to manufacture plates, the response was that this company met all the criteria established by the State and they did not feel it was necessary. Senator Schmidt stated, in her opinion, it was the obligation of the State to acquire additional proposals. She also felt that an implementation plan should be established prior to passing this legislation.

There being no further comments or questions from the Committee, the Hearing on **SB 174** was closed.

Possible action on bills previously heard

There was no final action taken on bills previously heard.

The meeting was adjourned at 9:21 a.m.

The next meeting is scheduled for Wednesday, February 18, 2015.