Approved: February 16, 2016

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairperson Mike Petersen at 8:30 am on Tuesday, January 26, 2016, 546-S of the Capitol.

All members were present except:

Senator Anthony Hensley – Excused

Committee staff present:

Scott Wells, Office of Revisor of Statutes
Jill Shelley, Legislative Research Department
Whitney Howard, Legislative Research Department
Adam Siebers, Office of Revisor of Statutes
Carolyn Long, Kansas Legislative Committee Assistant

Conferees appearing before the Committee:

Taff Hughes, Vice President, US Custom Harvesters, Inc.

Josh Roe, Assistant Secretary, Kansas Department of Agriculture

Tom Whitaker, Executive Director, Kansas Motor Carriers Association

Leslie Kaufman, Kansas Cooperative Council, Kansas Grain and Feed Association, Kansas

Agribusiness Retailers Association

Tucker Stewart, Kansas Livestock Association

Tom Palace, Petroleum Marketers and Convenience Store Association of Kansas

Allie Devine, U.S. Custom Harvesters Inc

Others in attendance:

See Attached List

Possible bill introductions

There were no bill introductions.

<u>Hearing on: SB99 — Creating an exception to maximum vehicle length requirements for custom harvesters.</u>

The Chairman opened the hearing on <u>SB 99-Creating an exception to maximum vehicle length</u> requirements for custom harvesters and introduced Adam Siebers, Assistant Revisor, who informed the Committee that this bill would allow combinations of a one truck-tractor and two trailers or one truck-tractor and one semitrailer that serve as property carrying units used to transport equipment by custom harvesters to have a maximum length of 81.5 feet, excluding load.

The Chair welcomed Taff Hughes, Vice President, U.S. Custom Harvesters Inc. (USCHI) (Attachment 1). Mr. Hughes noted that USCHI is a trade association with approximately 400 members with almost 100 being Kansas businesses. Their members travel on an average of 130 days for grain harvesting and 100 days for forage harvest.

CONTINUATION SHEET

MINUTES of the Committee on Transportation at 8:30 am on Tuesday, January 26, 2016 in Room 546-S of the Capitol.

The Consolidated Appropriations Act of 2016, passed by Congress, included language which would allow Kansas to make adjustments for truck lengths for custom harvesters moving equipment within Kansas. Letters of support for this federal legislation from the Kansas Legislature, along with support from the Kansas Department of Transportation, Department of Agriculture, Kansas Motor Carriers Association, Kansas Highway Patrol, and many agricultural organizations all contributed to successful passage of this provision.

This bill would allow equipment utilized by custom harvesters, under contract to agricultural producers to harvest commodities, to exceed the current length restrictions, but not to exceed 81 1/2 feet.

The Chair recognized Josh Roe, Assistant Secretary, Kansas Department of Agriculture, who stated that Kansas needs the ability to conduct timely harvests (Attachment 2). A key factor is the ability to travel inter-state without having to breakdown and reconfigure tractor-trailer rigs at state lines to meet different length requirements.

Tom Whitaker, executive director of the Kansas Motor Carriers Association, said his organization was in support of this bill but requested an amendment that would change the effective date to the date of publication in the *Kansas Register* and to extend the length and overhang limitations for a stinger-steered automobile transporter, also as allowed in new federal law (Attachment 3).

Allie Devine, U.S. Custom Harvesters, presented an amendment. When <u>SB 99</u> was originally drafted, it was done so to be in compliance with requirements in federal law for Nebraska. The original bill was not complete and was drafted before the language in the federal bill and therefore, the need for an amendment (Attachment 4).

Joel Skelley, Director of Policy, Kansas Department of Transportation, noted that federal law specifies wheat, soybeans, and milo rather than "commodities"; however, the states define the harvest time period.

Written testimony in favor of the bill was submitted by Ryan Flickner, Kansas Farm Bureau (Attachment 5).

There being no further discussion, the Chair closed the hearing on **SB 99**.

Hearing on:

Chairman Petersen opened the hearing on **SB 349--Hazardous materials endorsement exemption**. Mr. Siebers explained that this bill would exempt a holder of a class A driver's license, as an employee of a custom harvester operation or of certain other types of agriculture-related businesses, from a requirement to add a hazardous materials endorsement to that license to operate a service vehicle transporting 1,000 gallons or less of diesel, clearly marked with an appropriate placard. This bill would become effective upon publication in the *Register*.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES of the Committee on Transportation at 8:30 am on Tuesday, January 26, 2016 in Room 546-S of the Capitol.

Mr. Hughes stated his organization has been involved with this issue for the past 20 years. Enactment of this bill will save time and money for custom harvesters and their client farmers/landowners. Passage of this bill would allow harvesters to fuel combines and tractors once a day, operating more efficiently with fewer employees, equipment stops, and trips to and from fueling stations (Attachment 6).

Leslie Kaufman, appearing on behalf of several agribusiness partners, stated that **SB 349** would align Kansas transportation law with recent changes made at the federal level (Attachment 7).

Tucker Steward, Associate Counsel, Kansas Livestock Association, supported previous testimony. While this exemption would not be as widely used in the feedlot industry, maintaining consistency with federal law is favorable he said (Attachment 8).

Speaking in opposition to <u>SB 349</u>, Tom Palace, representing the Petroleum Marketers and Convenience Store Association of Kansas (PMCA), said that he was in favor of some of the bill but not in its current form. Currently, any person that transports 119 gallons or more of diesel fuel is required to apply for a hazardous materials endorsement. The USA Patriot Act requires all transporters of hazardous material to undergo a security threat assessment administered by the US Department of Homeland Security. This assessment requires time. Although PMCA does not support a double standard, they understand the efficiency in this exception for custom harvesters. Mr. Palace requested an amendment striking the language "agrichemical business, farm retail outlet and supplier or livestock feeder" (Attachment 9).

Following Committee questions, Senator Wolf asked staff for a definition of a "farm retail store" while Senator Petersen asked for a clarification in the difference in the application process between a hazmat and Class A license.

Senator King inquired why the 1,000 gallon figure. Mr. Hughes shared that the average combine can hold 750 gallons of fuel. Conferees said when the federal law regarding transportation of hazardous materials was originally written, it erroneously stated the figure in pounds, which equated to 199 gallons, for placarding; any transportation of a placarded material requires a hazmat endorsement on a driver's license.

There being no further discussion, the Chairman closed the hearing on <u>SB 99</u> and adjourned the meeting at 9:15 a.m.

The next meeting is scheduled for Wednesday, January 27, 2016.