Approved	10111183	
	Date	

MINUTES OF THE <u>House</u> COMMITTEE ON	Transportation
The meeting was called to order byRep. Rex Cr	owell at
The meeting was carred to order by	Chairperson
1:30 XXn./p.m. on March 24, 1983	
All members were present except: Reps. Justice,	Campbell and Erne (all excused)

Committee staff present:

Fred Carman, Revisor of Statutes Hank Avila, Legislative Research Pam Somerville, Committee Secretary

Conferees appearing before the committee:
Bill Green, Kansas Corporation Commission
Patrick Hubbell, Kansas Railroad Association
Col. David Hornbaker, Kansas Highway Patrol
Dennis Williams, Fiscal Analyst
Alan Alderson, Department of Revenue

The meeting was called to order by the Chairman. The first order of business was $\underline{HB\ 2554}$. The Chairman briefed the committee on the content of $\underline{HB\ 2554}$, which would provide that the KCC would continue to maintain jurisdiction over intrastate rail rates.

Bill Green, Kansas Corporation Commission, appeared before the committee in support of <u>HB 2554</u>. (<u>Attachment 1</u>). Mr. Green pointed out <u>HB 2554</u> is necessary for the commission in order for the commission to be certified with the Interstate Commerce Commission in the regulation of intrastate railroad rates. Mr. Green added that under the terms of Section 214 of the Federal Staggers Rail Act, the State must either conform to federal law or lose all jurisdiction of intrastate rail rates to the ICC. The amendment in Section 1, amending K.S.A. 66-146, would retain state jurisdiction.

The Chairman opened the meeting to committee questions. Chairman Crowell asked Mr. Green if, in the event provisions in lines 48-55 are not passed, the Corporation Commission would have to give up jurisdiction. Mr. Green replied the commission is certified for five years.

Mr. Pat Hubbell, Kansas Railroad Association, appeared in opposition to $\underline{\text{HB 2554}}$. Mr. Hubbell explained to the committee that the legislation was not needed due to a recent filing by the Corporation Commission which will allow extension of the certification. Mr. Hubbell also explained to the committee that Section 2 was a complete contradiction of Section 1.

Committee discussion and action was the next order of business. Discussion of HCR 5038 was continued from the previous meeting of 3/23/83. Rep. Campbell moved HCR 5038 be recommended favorable for passage and placed on the consent calendar. Rep. Wilbert seconded the motion. Motion passed.

SB 308 was the next bill brought up for discussion and action. Chairman Crowell reviewed SB 308 for the committee indicating it was simply a cleanup measure to correct a discrepancy in the insurance law and motor vehicle licensing act in regard to being able to post indemnifying bonds. Rep. David Webb moved SB 308 be reported favorable for passage. Rep. Bill Fuller seconded the motion. Motion passed.

SB 309 was the next bill brought up for discussion and action. The bill relates to the Dealer Licensing Act and amends the procedures for two types of hearings. One type of hearing relates to cancellations of manufacturer/dealer agreements, and the other type of hearing relates to transfers of dealer franchises. The bill also provides for a person to be permitted to appeal to a district court for a trial de novo. It was moved by Rep. Cloud to report SB 309 favorable for passage. Rep. Schmidt seconded the motion. Motion passed.

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.

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CONTINUATION SHEET

MINU	TES OF THE	House	COMMITTEE ON .	Transportation	
room	519-S Stateh	ouse at 1:30	XaXaX /n m on	March 24, 1983.	19

Committee discussion on $\underline{SB\ 169}$ began. $\underline{SB\ 169}$ would provide an exemption from photo requirements on drivers' licenses for persons belonging to a religious organization which has an objection to their members having their pictures taken.

Rep. Knopp moved to pass SB 169 favorably. The motion was seconded by Rep. Cloud. Rep. K. Ott made a substitute motion to amend the bill to change the effective date to publication in the Kansas Register. The substitute motion was seconded by Rep. Dillon. Motion passed.

Rep. Dillon moved to recommend SB 169 favorable for passage as amended. Rep. Bill Fuller seconded the motion. Motion passed. Reps. Wilbert, L. Johnson, and Erne asked to be recorded as voting no.

The final item of discussion was <u>SR 288</u>. <u>SB 288</u> would abolish the state's vehicle inspection program. Rep. Charlton distributed an amendment for committee review. (<u>Attachment 2</u>). <u>It was moved by Rep. Charlton to adopt the amendments</u>. <u>Rep. Cloud seconded the motion</u>.

Rep. Schmidt made the comment that to restore the present law and increase the fee to \$10.00 was not an adequate solution in that his constituents were not in favor. Rep. K. Ott asked Mr. Alderson what the net cost was to the state. Mr. Alderson replied that there would be a total loss of \$489,000 from the General Fund. Col. Hornbaker intervened and stated according to the Patrol's figures, the loss in revenues from receipts for certificates (providing the program was abolished) would be \$226,000; however, it would amount to a savings in the State Highway Fund of \$187,000. Col. Hornbaker stated presently no monies from the cost of inspections go into the Patrol, only fifty cents (50¢) for the certificates.

Mr. Dennis Williams, Fiscal Analyst, reiterated Col. Hornbakers remarks regarding figures regarding the cost of the program.

Chairman Crowell asked Col. Hornbaker if \$1.00 went to the Highway Patrol would this allow the program to break even. Mr. Williams replied that it would not.

Rep. Sutter asked Col. Hornbaker if keeping the program was creating an injustice to the general public. Col. Hornbaker replied by keeping the program in its present form it was.

Rep. Dempsey raised the question to Col. Hornbaker as to what it would take to have a meaningful inspection program. Col. Hornbaker responded by saying the ultimate goal would be to have an annual inspection run by the state at the time of registration renewal.

Committee discussion ensued regarding how the program could be administered to serve its real purpose. The Chairman reminded the committee that abolishment of the state vehicle inspection program was one of the Governor's Proposals.

Rep. David Webb offered a substitute amendment raising the inspection fee to \$25.00; \$20.00 for the inspection and \$5.00 to the Highway Patrol. In addition, violation of the law would constitute a Class "C" misdemeanor, and the bill would be effective when published in the statutes. Rep. Charlton seconded the substitute motion. A division was called for, five voted in favor and eleven against. Motion failed.

Rep. Knopp questioned whether increased fees would make the highways safer or whether this would reinforce the general public to think their vehicle was in top shape after passing an inspection.

Rep. Sutter made a substitute motion to amend the fees to \$10.50 for vehicles less than 16,000 pounds with \$8.50 for the inspection and \$2.00 going to the Highway Patrol, and \$12.50 for vehicles weighing over 16,000 pounds, with \$10.50 for the inspection and \$2.00 going to the Highway Patrol. Rep. Johnson seconded the substitute motion. Motion passed.

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CONTINUATION SHEET

MINU	TES OF THE	House	COMMITTEE ON	Transportation		······································
room .	519–S, Statehous	e, at <u>1:30</u>	xxxx/p.m. on	March 24,		, 19_83
Rep	Rep. Johnson . Sutter seco	moved t nded the	o recommend SI motion.	3 288 favorable for	passage as a	amended.
	Rep. Cloud s	uggested	an amendment	to provide authori	tv for the Se	ecretary

Rep. Cloud suggested an amendment to provide authority for the Secretary of Revenue to exercise discretion in making regulations for the transfer of motor vehicles. Rep. Cloud cited an example of a father giving a son an automobile. Rep. Cloud made a substitute motion to adopt the amendment. Rep. Dillon seconded the substitute motion. Motion passed.

Rep. Sutter moved to report SB 288 favorable for passage as further amended. Rep. Johnson seconded the motion. Motion passed.

Meeting adjourned at 2:25 p.m.

Rex Crowell, Chairman

GUEST LIST

COMMITTEE: // Ansportation		DATE	: 3/24/83
PLEASE PRINT			
NAME	ADDRESS		COMPANY/ORGANIZATION
ED DE SOIGNIE	TOPEKA		KOOT
Steve Margany	308		Revene
Dennis Ahlers	SOB		KCC
BILL GREEN	SUB		Kec
M.C. German	Topeka		Ks Railroad Arsociation
Tot Soblell -	Topeka		Kelk assoc.
Mary Turkington	Topeka	Ka	usus Motor Carrier Assa -
Juga Hutchus	Typike		Kansas Moto Comin ass
Tom WhITAKER	Topexa		KANSAS MOTOR CARRIORS ASSI
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Jim Sullins	1(Vs. Heter Can Dealer Cenn
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JOHN CARLIN RICHARD C. (PETE) LOUX JANE T. ROY PHILLIP R. DICK CALCUL J. LARSON BRIAN J. MOLINE

Governor Chairman Commissioner Commissioner Executive Secretary General Counsel



State Corporation Commission

Fourth Floor, State Office Bldg.
Ph. 913/296-3355
TOPEKA, KANSAS 66612-1571

STATEMENT PRESENTED ON MARCH 24, 1983, TO THE HOUSE TRANSPORTATION COMMITTEE BY THE STATE CORPORATION COMMISSION OF KANSAS ON H.B. 2554

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I AM BILL GREEN, ADMINISTRATOR OF THE TRANSPORTATION DIVISION OF THE STATE CORPORATION COMMISSION.

I APPEAR HERE TODAY REPRESENTING THE COMMISSION IN PARTIAL SUPPORT OF H.B. 2554.

SECTION 1 OF H.B. 2554 IS A BILL REQUESTED BY THE STATE CORPORATION COMMISSION OF KANSAS IN ORDER FOR THE COMMISSION TO BE CERTIFIED WITH THE INTERSTATE COMMERCE COMMISSION IN THE REGULATION OF INTRASTATE RAILROAD RATES. UNDER THE TERMS OF SECTION 214 OF THE FEDERAL STAGGERS RAIL ACT, THE STATE MUST EITHER CONFORM TO FEDERAL LAW OR LOSE ALL JURISDICTION OF INTRASTATE RAIL RATES TO THE INTERSTATE COMMERCE COMMISSION. THE AMENDMENT IN SECTION 1 OF H.B. 2554 (AMENDING K.S.A. 66-146) WOULD RETAIN STATE JURISDICTION AND ALSO ALLOW THE ENACTMENT OF RULES AND REGULATIONS ALLOWING THE STATE CORPORATION COMMISSION TO ACT IN CONFORMANCE WITH FEDERAL LAW.

SEVERAL STATES INCLUDING NORTH DAKOTA, OKLAHOMA AND ILLINOIS HAVE PASSED SIMILAR STATUTE. THE STATE OF KANSAS THROUGH THE STATE

AMACHMENT!

CORPORATION COMMISSION HAS REQUESTED CERTIFICATION UNDER THE STAGGERS RAIL ACT AND HAS BEEN GRANTED TEMPORARY CERTIFICATION UNTIL OUR STATUTORY PROBLEMS CAN BE WORKED OUT.

SECTION 1 OF H.B. 2554 IS A NECESSARY PIECE OF LEGISLATION IF KANSAS IS TO RETAIN JURISDICTION OVER INTRASTATE RAIL RATES.

THE COMMISSION OPPOSES THE PROVISIONS IN SECTION 2 OF H.B. 2554.

I BELIEVE IT IS NECESSARY TO POINT OUT TO THIS COMMITTEE THAT UNDER THE STAGGERS RAIL ACT THE COMMISSION IS LIMITED TO THE REGULATIONS OF INTRASTATE RAIL RATES AS ESTABLISHED IN THE STAGGERS RAIL ACT.

IN THE EVENT STATES DO NOT CONFORM TO THE PROVISIONS OF THE STAGGERS RAIL ACT RAILROADS MAY FILE A COMPLAINT WITH THE INTERSTATE COMMERCE COMMISSION. IF THE INTERSTATE COMMERCE COMMISSION DETERMINES THAT A STATE IS NOT REGULATING INTRASTATE RAIL RATES ACCORDING TO PROVISIONS ESTABLISHED IN THE STAGGERS RAIL ACT THE INTERSTATE COMMERCE COMMISSION MAY WITHDRAW A STATE'S CERTIFICATION.

SHOULD YOU HAVE ANY QUESTIONS AT THIS TIME I WILL ATTEMPT TO ANSWER THEM.

Suggested Amendments to SB 288 (As Amended by Senate Committee)

On page 1, by striking lines 23 to 46, inclusive;

On page 2, by striking lines 47 to 83, inclusive;

On page 3, by striking lines 84 to 120, inclusive;

On page 4, by striking lines 121 to 157, inclusive;

On page 5, by striking lines 158 to 194, inclusive;

On page 6, by striking lines 195 to 231, inclusive;

On page 7, by striking lines 232 to 268, inclusive;

On page 8, by striking lines 269 to 275, inclusive, and inserting 2 new sections as follows:

"Section 1. K.S.A. 8-1752 is hereby amended to read as follows: 8-1752. In addition to other powers and duties prescribed by this act, the superintendent shall:

- (a) Supervise and cause inspections to be made of each official inspection station;
- (b) provide to each inspection station all certificates, forms and instructions necessary for the inspection of vehicles;
- (c) maintain and post at the headquarters of each division a list of all official inspection stations, indicating the class or classes of motor vehicles authorized to be inspected by each station, and a list of inspection stations whose permits have been revoked;
- (d) adopt such rules and regulations as—may—be—necessary for the efficient operation and maintenance of inspection stations, including the manner and procedure for inspecting the components and equipment of motor vehicles required to be inspected by K.S.A. 8-1753 and amendments thereto; and
- (e) establish the fee to be retained by an inspection station for inspecting a motor venicle, which shall be a uniform fee for each class of vehicle throughout the state and shall be a reasonable and just charge based upon the average cost and time necessary to perform the inspection, but in-no-event-shall such fee for any class of vehicle shall not exceed five-dollars-(55)

\$10 plus the cost of the certificate of approval, if such certificate is issued.

"Sec. 2. K.S.A. 8-1752 is hereby repealed.";

Also on page 8. in line 276, by striking "6" and inserting "3";

In the title, by striking lines 19 to 21, inclusive, and inserting "K.S.A. 8-1752 and repealing the existing section.";