

MINUTES OF THE House COMMITTEE ON Transportation

The meeting was called to order by Rex Crowell at  
Chairperson

1:30 ~~xxx~~ p.m. on March 17, 1986 in room 519-S of the Capitol.

All members were present except:

Representatives Justice, Erne and Dillon - All Excused.

Committee staff present:

Bruce Kinzie, Revisor of Statutes  
Hank Avila, Legislative Research  
Donna Mulligan, Committee Secretary

Conferees appearing before the committee:

Ms. Betty Mc Bride, Treasurer, Cherokee County, Kansas  
Mr. Dan A. Grohn, City of Wichita  
Senator James Francisco

The meeting was called to order by Chairman Crowell and the first order of business was a hearing on SB-603 concerning waiver of penalties for failure to comply with registration requirements.

Hank Avila briefed the Committee on the bill and said currently there is no provision in the law providing a grace period for people registering on the staggered system when the last day for registration falls on the weekend or a day when the County Treasurer's office is closed due to a holiday. SB-603 provides a waiver of penalties in such circumstances.

Ms. Betty McBride, Treasurer, Cherokee County, testified in support of SB-603. (See Attachment 1)

She told the Committee nearly 70 percent of vehicle owners wait until the final days of a registration period before registering or renewing their vehicle registration. Ms. McBride said it creates a very poor public image of governmental entities to charge a penalty to the vehicle owners who could not have possibly renewed on the final day of registration.

The hearing on SB-603 was concluded.

The next order of business was a hearing on SB-354 concerning governmental exemption from payment of the LP-Gas Tax and definitions in the LP-Gas tax law.

Hank Avila briefed the Committee on the bill.

Mr. Dan A Grohn, City of Wichita, testified in support of SB-354. (See Attachment 2) He stated about \$26,000 is paid to the State in motor fuel taxes, and in turn the State issues a tag to be affixed to each vehicle which is valid for one year. Mr. Grohn added that a portion of the tax eventually is distributed to the Special City and County Highway Fund. He recommended a re-definition of "person" as it existed prior to the 1983 Legislative change, as follows:  
"...but shall not mean any counties, municipalities, or other political subdivision of this State or the State of Kansas".

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,  
room 519-S, Statehouse, at 1:30 ~~am~~ p.m. on March 17, 19 86

Senator James Francisco, spoke in favor of SB-354.

Representative Knopp asked if the purpose of SB-354 is to reduce record keeping, or is it because of the high tax paid to the State. Senator Francisco said LP gas previously was exempt.

Mr. Dan A. Grohn replied to Representative Knopp's question and stated the purpose of SB-354 is not just to reduce record keeping, but also for the encouragement of the use of alternate fuels.

The hearing on SB-354 was concluded.

The meeting was adjourned at 1:55 p.m.

  
Rex Crowell, Chairman



Betty McBride, Treasurer

CHEROKEE COUNTY, KANSAS



COLUMBUS, KANSAS 66725

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE;

I AM BETTY MCBRIDE CHEROKEE COUNTY TREASURER, AND SECRETARY OF THE KANSAS COUNTY TREASURER'S ASSOCIATION LEGISLATIVE COMMITTEE. I WANT TO EXPRESS MY APPRECIATION TO YOU FOR ALLOWING ME THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY ON BEHALF OF THE COUNTY TREASURER'S ASSOCIATION IN SUPPORT OF SENATE BILL # 603.

PASSAGE OF SENATE BILL # 603 WOULD ALLOW COUNTY TREASURER'S TO WAIVE PENALTIES ON VEHICLE REGISTRATIONS WHEN THE FINAL DAY OF A REGISTRATION PERIOD FALLS ON A WEEKEND OR A HOLIDAY, AND THE COUNTY TREASURER'S OFFICE IS CLOSED. NEARLY 70% OF VEHICLE OWNERS WAIT UNTIL THE FINAL DAYS OF A REGISTRATION PERIOD BEFORE COMING TO THE TREASURER'S OFFICE TO REGISTER OR RENEW THEIR VEHICLE REGISTRATION. IT CREATES A VERY POOR PUBLIC IMAGE OF GOVERNMENTAL ENTITIES TO CHARGE A PENALTY TO THE VEHICLE OWNERS WHO COULD NOT HAVE POSSIBLY RENEWED ON THE FINAL DAY OF REGISTRATION HAD THEY TRIED. UNTIL TWO YEARS AGO IT WAS GENERAL OFFICE PROCEDURE IN THE COUNTY TREASURER'S OFFICE, ALLOWED BY THE DEPARTMENT OF REVENUE TO WAIVE THIS PENALTY. THIS CHANGE IN PROCEDURE HAS ADDED DISCONTENT, AS WELL AS CONFUSION TO THE VEHICLE OWNER, THUS CREATING A POLITICAL LIABILITY FOR MANY COUNTY TREASURER'S.

WAIVER OF THIS PENALTY WOULD GREATLY ENHANCE PUBLIC RELATIONS, AND HELP CLOSE THE GAP OF MISUNDERSTANDING BETWEEN GOVERNMENT AND THE GENERAL PUBLIC.

WE ASK THIS COMMITTEE'S SERIOUS CONSIDERATION FOR FAVORABLE PASSAGE OF SENATE BILL # 603.

*Transp. 3/17/86*

*Attach. 1*

THANK YOU AGAIN FOR THE TIME YOU HAVE EXTENDED TO ME, TO EXPLAIN THE COUNTY  
TREASURER'S VIEWS CONCERNING THIS MATTER.

RESPECTFULLY,

A handwritten signature in cursive script, appearing to read "Betty McBride".

BETTY MCBRIDE  
SECRETARY KCTA  
LEGISLATIVE COMMITTEE

TO: Chairman Rex Crowell and Members of the Committee  
RE: Senate Bill No. 354  
(Exempt Political Subdivisions from Payment of LP Gas Tax)

BACKGROUND: Prior to 1983, counties, municipalities, or other political subdivisions of the State of Kansas were specifically exempt from taxation under the "Liquefied Petroleum Motor Fuel Tax Law". House Bill No. 2468 amended the applicability of Section I, K.S.A. 79-3490 to exclude the local government exception by changing the definition of "person".

CURRENT SITUATION: The City of Wichita must now monitor, keep additional records, and submit a detailed listing of vehicles using LP gas to the State of Kansas, Division of Taxation, on a yearly basis. Our payment has been between \$23,000 and \$26,000 per year. In turn, the State issues and sends us a tag to be affixed to each vehicle which is good for one year. A portion of this tax eventually is distributed to the Special City and County Highway Fund, K.S.A. 1983 Supp. 79-34, 104, and 79-4325 C.

RECOMMENDATION: We strongly support the re-definition of "person" as it existed prior to the 1983 Legislative change, as follows: "...but shall not mean any counties, municipalities, or other political subdivision of this State or the State of Kansas".

REASONS FOR REQUESTED CHANGE:

1. Would encourage local governments to use alternate fuels to a greater level, benefiting the taxpayer, and producing benefits to the environment.
2. Would eliminate costly recordkeeping, reporting, and management of permit tags at the local and state levels.

Dan A. Grohn  
Fleet Maintenance Director  
Department of Operations and Maintenance  
CITY OF WICHITA

Transp. 3/17/86  
Attach. 2