

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 3, 1987 in room 519-S of the Capitol.

All members were present except: Representative Spaniol

Committee staff present:

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

Conferees appearing before the committee:

Trooper Charles Kohler, Kansas Highway Patrol
Trooper Ray Bailiff, Kansas Highway Patrol
Sgt. Bob Giffin, Kansas Highway Patrol
Mr. Tom Whitaker, Kansas Motor Carriers Association
Ms. Mary Ladesic, Wyandotte County, Kansas
Secretary Harley T. Duncan, Kansas Department of Revenue
Mr. Ronald Hoyler, Kansas City, Kansas Police Department
Ms. Betty McBride, County Treasurers' Association
Ms. Bev Bradley, Kansas Association of Counties
Col. Bert Cantwell, Kansas Highway Patrol
Mrs. Mary Lou McPhail, Kansas Peace Officers Association
Mr. Harris Terry, Sheriffs' Association
Mr. Bill Hudson, Shawnee County Sheriff's Department
Ms. Nancy Clark Bauder, Kansans for Highway Safety
Mr. Leroy Green, Wyandotte County Sheriff's Department
Mr. B. D. Kanan, Traftec, Kansas City, Kansas
Mr. Joe Childs, Center Industries, Wichita, Kansas

The meeting was called to order by Chairman Crowell and the first order of business was a hearing on HB-2494 concerning the use of eye protective devices and flashing headlights, and the retention of braking systems.

Trooper Charles Kohler, Kansas Highway Patrol, testified in support of HB-2494.

Trooper Ray Bailiff, Kansas Highway Patrol, spoke in support of HB-2494.

Sgt. Bob Giffin, Kansas Highway Patrol, testified in support of HB-2494. He said that the bill contains provisions which would benefit the Patrol as well as promote public safety, and urged the Committee to consider HB-2494 favorable for passage. (See Attachment 1)

Mr. Tom Whitaker, Kansas Motor Carriers Association, testified in opposition to HB-2494. (See Attachment 2)

Mr. Whitaker said Kansas Motor Carriers agrees that the provisions of Section 1 of the bill are intended to enhance traffic safety, but they question the specific language indicating the placement of red marker lamps on towed vehicles.

He also said that under the new truck safety law, all commercial motor vehicles exceeding 10,000 pounds gross vehicle weight and manufactured after July 24, 1980, are required to have steering axle brakes. He added the Federal Highway Administration noted that the cost to retrofit a single vehicle could be as high as \$3,000. Mr. Whitaker stated KMCA believes these equipment modification deadlines should be consistent so that truck owners would not be penalized for conflicting requirements.

The hearing on HB-2494 was concluded.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,
room 519-S, Statehouse, at 1:30 ~~xx~~m./p.m. on March 3, 1987

The next order of business was a hearing on HB-2492 concerning the failure to register a motor vehicle.

Trooper Charles Kohler, Kansas Highway Patrol, testified in support of HB-2492.

Ms. Mary Ladesic, Treasurer, Wyandotte County, spoke in support of HB-2492.

Mr. Ronald Hoyler, Kansas City, Kansas Police Department, testified favorably concerning HB-2492.

The hearing was concluded on HB-2492.

The next order of business was a hearing on HB-2458 concerning fees for motor vehicle certificates of title.

Secretary Harley T. Duncan, Kansas Department of Revenue, testified in support of HB-2458. (See Attachment 3) He said this bill increases the fee charged for issuance of a certificate of title from \$3.50 to \$9.00. Mr. Duncan explained the purpose of HB-2458 is to fund the implementation of the Vehicle Information Processing System (VIPS) being developed by the Department of Revenue.

Mr. Duncan said VIPS is a computerized data processing system to handle motor vehicle titles and registrations.

Ms. Betty McBride, County Treasurer's Association, testified in support of HB-2458.

Ms. Bev Bradley, Kansas Association of Counties, testified in favor of HB-2458. (See Attachment 4)

The hearing was concluded on HB-2458.

The next order of business was a hearing on HB-2525 concerning the requirement for two license plates on vehicles registered for under 12,000 pounds.

Chairman Crowell read a letter from Governor Mike Hayden, expressing support for the principle of requiring both front and rear license plates on certain vehicles. (See Attachment 5)

Colonel Bert Cantwell, Kansas Highway Patrol, testified in support of HB-2525. (See Attachment 6) He said passage of HB-2525 would greatly enhance law enforcement by providing more ready identification of traffic units.

Trooper Ray Bailiff, Kansas State Troopers Association, testified favorably concerning HB-2525. (See Attachment 7)

Mrs. Mary Lou McPhail, Kansas Peace Officers' Association, testified in support of HB-2525. (See Attachment 8) She said having a front license plate on vehicles will allow law enforcement officers the opportunity to more readily identify suspicious vehicles in emergency situations.

Mr. Harris Terry, Sheriffs' Association, spoke in favor of HB-2525. He said the Sheriffs' Association fully supports the concept of requiring vehicles under 12,000 pounds to have two license plates.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,
room 519-S, Statehouse, at 1:30 ~~am~~ p.m. on March 3, 1987

Mr. Bill Hudson, Shawnee County Sheriffs' Department, commented in support of HB-2525.

Ms. Nancy Clark Bauder, Kansans for Highway Safety, commented in favor of HB-2525. (See Attachment 9)

Mr. Leroy Green, Wyandotte County Sheriffs' Department, gave testimony in opposition to HB-2525, for Mr. John Quinn, Wyandotte County Sheriff. He said that in Wyandotte County, there is a problem of tag switching which would be made worse if vehicles were required to have two plates.

Ms. Mary P. Ladesic, Treasurers' Association, Wyandotte County, Kansas, testified in opposition to HB-2525. (See Attachment 10) She said that passage of HB-2525 would result in increased costs to mail license tags. Ms. Ladesic said at the present time the cost of mailing a single plate is \$.88 and mailing two plates is \$1.75. She reported Wyandotte County anticipates processing 50,000 applications in the next issuance year by mail, and based on this figure a deficit would be created in the amount of \$62,500.

Mr. B. D. Kanan, Traftec, Kansas City, Kansas, testified in opposition to HB-2525. (See Attachment 11)

Mr. Joe Childs, Center Industries, Wichita, Kansas, testified in support of HB-2525. He said they would be able to produce the plates in a timely manner should this bill pass.

Secretary Harley T. Duncan, Kansas Department of Revenue, briefed the Committee concerning estimated costs involved in issuing the second plate and said the net cost for the second plate would be \$476,646. (See Attachment 12)

The next order of business was Committee discussion and action on HB-2143 concerning school buses stopping at railroad crossings. Committee discussion ensued.

A motion was made by Representative Sutter to recommend HB-2143 favorable for passage. The motion was seconded by Representative Smith.

Further Committee discussion ensued. Chairman Crowell said the motion would be left until a later date.

The meeting was adjourned at 3:30 p.m.


Rex Crowell, Chairman

PLEASE PRINT

NAME	ADDRESS	COMPANY/ORGANIZATION
JOE L. CHILDS	WICHITA, KS.	CENTOR INDUSTRIES
Pat Terick	WICHITA, KS	United Cerebral Palsy
Nancy Bauder	Leavenworth, KS.	Kansas for Highway Safety
WHITNEY RAMON	TOPEKA, KS	Pete McGill & Associates
Alan Stepiat	TOPEKA	McGill & Assoc.
Charles Nicolay	TOPEKA	Kc Oil Marketers Assn
Mary E. Turkinaton	TOPEKA	Kansas Motor Carriers Assn.
Tom Whitaker	TOPEKA	Ks Motor Carriers Assn.
JAT BARNES	TOPEKA	Ks Motor Car Dealers Assn.
John BOTTENBERG	TOPEKA	3M
LINDA McGill	"	"
LeRoy GREEN JR.	WY. CO. KS.	WY. Sheriff Dept.
RAY BAILIFF	LEAVENWORTH	KSTA
Ronald Hoyer	Kansas City Kansas	K.C.P.D.
Mary B. Jadesic	W.C. Kansas	Co. Treasurers Assoc.
Kelly M. Brice	Columbus, Kansas	Co. Treasurers Assoc.
Maude Rossler	Joplin, KS	Co. Treasurers Assoc.
Nancy Welsh	Lawrence, KS.	Co. Treasurers Assoc.
Wm. J. O'BRIEN	OLATHE	COUNTY TREASURERS ASS'N.
Samuel	Joplin	KDOR
Bob Bradley	TOPEKA	KS Association of Counties
H. Duncan	TOPEKA	KDOT
B. Cantwell	TOPEKA	KHP
Harold Wilson	Salina	Salina Co. Sheriff
Harold J. Terry	McPherson	Kansas Sheriff's Assoc
Charles Kohler	Kansas City	KSTA

SUMMARY OF TESTIMONY

Before the House Transportation Committee

House Bill 2494

Presented by the Kansas Highway Patrol

(Sergeant Bob Giffin)

March 3, 1987

House Bill 2494 contains provisions that would benefit the Patrol as well as promote public safety.

Line 0067 of the bill would require the operator of a motorized bicycle to wear eye protection. Motorized bicycles are currently exempt this requirement by definition. Because these vehicles can reach speeds of up to 35 m.p.h., the same road hazards (bugs, etc.) exist for motorized bicycles as does for a motorcycle.

Line 0098 of this bill would permit a police vehicle to be equipped with alternately flashing headlights. These lights, commonly referred to as "wig-wags", drastically increase the visibility of a police vehicle in an emergency situation and is especially effective during daylight hours when other emergency lighting is difficult to see. When a police vehicle is being utilized as an emergency vehicle it should be afforded every opportunity to be seen for the protection of the officer, the public, and the victim to whose emergency the officer is responding to.

Attach. 1

STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

Concerning H.B. 2494 relating
to equipment requirements.

Presented to the House Transportation Committee,
Rep. Rex Crowell, Chairman; Statehouse, Topeka,
Tuesday, March 3, 1987.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Tom Whitaker, Governmental Relations Director of the Kansas Motor Carriers Association with offices in Topeka. I appear here today on behalf of our members and the highway transportation industry to comment on the provisions of H.B. 2494.

The bill addresses several areas of concern.

We agree that the provisions of section 1, are intended to enhance traffic safety. We do have serious questions however, about the specific language indicating the placement of red marker lamps on towed vehicles. If the placement were made more clear, would this provision apply during daylight hours as well as for nighttime operations.

Section 5 requires:

"Every motor vehicle or combination of vehicles shall retain all braking systems with which such motor vehicle or combination of vehicles were manufactured."

Att. 2

We assume that this provision was intended to coincide with the new federal requirements governing front wheel brakes.

As of February 26, 1987 all medium and heavy-duty vehicles will be required to have front-wheel brakes, as mandated by the Commercial Motor Vehicle Safety Act.

Under the new truck safety law, all commercial motor vehicles exceeding 10,000 pounds gross vehicle weight and manufactured after July 24, 1980 are required to have steering axle brakes. Truck owners will be given a one-year leeway to reconnect existing front-wheel brakes or reinstall brakes that have been removed.

The Federal Highway Administration noted that the cost to retrofit a single vehicle could be as high as \$3,000. The cost could be less if the vehicle was originally manufactured with front-wheel brakes.

We believe that these equipment modification deadlines should be consistent so that truck owners would not be penalized for conflicting requirements.

There may be other areas of concern in the bill. We wanted to bring these two specific items to the attention of the committee. If the bill is to receive further consideration, we respectfully request that amendments be prepared to address these problems.

I will be pleased to respond to any questions you may have.

#####



KANSAS DEPARTMENT OF REVENUE
Office of the Secretary
State Office Building · Topeka, Kansas 66612-1588

MEMORANDUM

TO: The Honorable Rex Crowell, Chairman
House Committee on Transportation

FROM: Harley T. Duncan, Secretary
Kansas Department of Revenue

RE: HB 2458

DATE: March 3, 1987

Thank you for the opportunity to appear before you concerning HB 2458 which increases the fee charged for issuance of a certificate of title from \$3.50 to \$9.00. The purpose of the bill is to fund the implementation of the Vehicle Information Processing System (VIPS) being developed by the Department of Revenue. The Department supports enactment of this legislation.

The remainder of my remarks will be drawn from the attached paper which attempts, in brief form, to describe VIPS, the benefits expected from it and some the financial considerations attendant to the VIPS project.

VIPS PAPER

What is VIPS?

- 1) VIPS is a computerized system designed to streamline the functions of County Treasurers and the Division of Vehicles, Title and Registration Bureau. These functions are:
 - Collect, report and deposit motor vehicle related fees
 - Register and renew vehicles
 - Title vehicles
 - Secure mortgage interest in vehicles
 - Make vehicle information available to law enforcement agencies
- 2) VIPS is a large system development project utilizing primarily state manpower following a formal systems development methodology called SDM/70.
 - The methodology consists of nine phases. Four of the nine phases have been completed. Four phases are in various stages of completion. The ninth phase "post implementation review" occurs after the system becomes operational.
 - Consulting personnel experienced in systems development have guided state staff whose primary experience has been limited to system maintenance. Assistance from consultant technicians will supplement the abilities and skills of state personnel in order to develop a state-of-the-art information processing system.
 - VIPS is scheduled to begin a phased implementation in November, 1987. Final phase of implementation will involve installing VIPS in the last 50 counties during FY 1989.

What are the Features of VIPS (How will it work)?

- 1) VIPS is a distributed data processing system. Its objective is to improve service to vehicle owners through improved processing at the County Treasurer's Office.
- 2) Each County Treasurer's office will have significant computer equipment to process the motor vehicle applications. This equipment will include:
 - An IBM System 36 processor, terminal workstation(s), printers and a tape back-up device. County Treasurer's staff will input data and make time saving inquiries to the centralized data base.
 - Disc drives will store computer operating software, application programs and data processed by the County Treasurer for vehicle owners.
 - Printers will produce registration receipts and other relevant paper work.
 - Telecommunications equipment will transmit data and inquiries to the state-maintained data base and return current vehicle data to the county offices within seconds after an inquiry.
- 3) Renewal transactions represent approximately 70% of the system volume. The following narrative illustrates the renewal transaction process:
 - The state data center in Topeka will generate a renewal notice that will be mailed to vehicle owners.

- Vehicle owners will mail or hand carry their information to the County Treasurer's office.
- For each vehicle, the County Treasurer will inquire into the state data files to retrieve information stored on the computer, thus saving time and improving accuracy. Such data will include address, vehicle type, make, model, etc.
- The County Treasurer will inquire of the vehicle owner whether any of the data allowed to be changed should be changed. If so, such changes will be made.
- Upon completion of the data entry process, a computer printed receipt will be produced, reviewed for accuracy and signed by the vehicle owner.
- Registration renewal and property tax fees will be automatically calculated and collected by the County Treasurer.
- The vehicle owner will receive an automated receipt and the vehicle plate and/or decal.
- Data will be stored on the county data collection file and transmitted to the state via telecommunications after office hours.
- The state-maintained data base will be updated with information received from the County Treasurer.

Why are we developing VIPS and what are the benefits?

- 1) VIPS is being developed primarily for the following reasons:
 - The current vehicle information system is an inadequate tool for County Treasurers trying to provide efficient and error free service to vehicle owners in a timely manner.
 - Law enforcement officials require more rapid and accurate response to their inquiries than can be provided by the current process.
 - The present data processing system is antiquated (more than 25 years old), technically obsolete, and the programs are difficult (as well as costly) to maintain.
 - Agency users experience numerous problems that can be minimized or eliminated by the new system. A few of the problems are: the necessity to correspond with motor vehicle owners and County Treasurers to resolve problems allowed by the current system; a long training period for new employees; "catching up" from backlogs resulting from an uneven work flow and competing seasonal processing requirements; and the need to constantly move employees from their assigned duties to crisis responsibilities and then back to the duties that they were trained to perform.
- 2) Numerous benefits will be experienced when the system is implemented. The more obvious benefits are listed in the attachment titled "VIPS Benefits".

How much will VIPS cost?

- 1) VIPS will cost approximately \$8.8 million for IBM System 36 computers shared with CAMA, associated hardware (terminal, printers, etc.), maintenance, computer software, telecommunication lines and technical assistance.
- 2) Projected costs for the first ten years of operation are approximately \$66.9 million compared to a projected cost of \$69.2 million for the present system over the same period.

- 3) Indirect savings from the new system are projected to be \$7.3 million
- 4) Based on the cost information the new system will pay for itself and the cost associated with the CAMA portion of the processor during the eleventh year of operation.

What is the relationship between VIPS and CAMA?

- 1) VIPS and CAMA are both large information processing systems managed by KDOR and designed to collect as well as process data at the county level.
- 2) The department elected to process the data on a shared CPU because:
 - Absent of such an arrangement KDOR would have to train staff to provide technical support for several different types of hardware in 105 different locations. The quality of such support would suffer plus be more expensive.
 - The benefits of standardization grow exponentially when additional applications are considered.
 - The approach is consistent with the "One Customer" concept stated in the State Information Technology Master Plan. That is, with a state contract for standardized hardware significant, cost reductions can be achieved and there will be greater leverage over the vendor.
 - A shared minicomputer (IBM System 36) compared to a microcomputer environment is more capable of being upgraded.
 - Other benefits of the shared System 36 processor include: prompt statewide service; equipment compatible with many current systems installed in the state and the counties; sharing of equipment knowledge between offices within the courthouse, and easier maintenance at the county level.
- 3) To assist in achieving the advantages of systems integration KDOR has proposed to the counties a funding package that has been agreed to by all of the 100 eligible counties. The funding package basically goes as follows:
 - If a county purchases now a System 36 large enough to operate both VIPS and CAMA with their own money; and
 - If there is sufficient capacity when VIPS is implemented, and the county agrees to maintain the capacity for VIPS and CAMA on the System 36; then
 - The State will reimburse the county for the cost of the processor necessary to accommodate the two applications.
 - It has consistently been made clear to the counties that reimbursement was contingent upon legislative approval.

How will the money be generated and when will it be needed?

- 1) Revenue needed to finance the purchase of the VIPS/CAMA computer processors and VIPS peripheral equipment may be financed through an increase in vehicle title fees effective July, 1987.
 - A \$5.50 increase in title fees for 2 years would generate \$8,800,000 or a \$3.50 increase for 3 years would produce \$8,400,000.

The advantage of paying for the system in 2 years is that by the time the system is fully implemented, the cost of the system would be paid.

- 3) A comparison of additional costs attributable to implementation and additional revenue required for financing (in millions) through an increase in title fees is:

	COSTS	\$5.50 INCREASE	\$3.50 INCREASE
FY 87	\$.46	-0-	-0-
FY 88	\$4.13	\$4.4	\$2.8
FY 89	\$4.22	\$4.4	\$2.8
FY 90	<u>implemented</u>	<u>paid</u>	<u>\$2.8</u>
TOTAL	\$8.81	\$8.8	\$8.4

What would VIPS cost if the CAMA were not a consideration?

- 1) In addition to expenditures for current system operations, VIPS would cost \$6,080,276 to implement compared to \$8,811,747 if CAMA remains a part of the reimbursement package promised to the counties.
- Purchase and maintenance of shared versus separate processors will result in a 13% savings within the first five years of operation.

How do Kansas title fees compare to fees to other states?

- 1) The average title fee for all fifty states is \$5.99. Twenty-three states have a title fee greater than \$5.00 but less than \$10.00. Ten states have a title fee greater than \$10.00. The survey of other states was limited to regular titled vehicles and didn't consider "add on" title fees like the additional \$3.00 fee for each lienholder listed on a Connecticut title.
- Vehicle owners will more readily accept an increase in title fees than an increase in registration fees.

VIPS Benefits

*14 major
vehicle comments*

- reduction or avoidance of county costs for computer related equipment and maintenance on vehicle related applications
- little or no data processing labor overhead for vehicle applications in county offices
- direct county access, via leased communications lines, into the State's central vehicle data base
 - resulting in early identification of possible fraudulent registrations (suspended or revoked tag, stolen vehicle, etc.);
 - alleviating problems relating to applicants moving from one county to another prior to renewal time;
 - resulting in less time preparing applications will result in faster service
- automation of the inventory function including automatic assignment of plates and decals, automatic re-ordering of inventory once established re-order point is reached, and control over all accountable inventory items
- automated production of time consuming County Treasurer Daily Reports
- reduced reliance upon manual procedures through on-line help screen instructions
- consolidation of multiple application/receipt forms into one standard universal form
- automated processing of special mail out (SMO) title applications
- availability of computerized N.A.D.A. Valu-Guide for assistance on title weight information and sales tax validation
- on-line Value Release Form (VRF) information to ensure proper classification of vehicles for property tax purposes
- computerized file available to counties of personalized plates pending and issued
- on-line inquiry to provide vehicle buyers with estimated property tax assessments on prospective new vehicles
- ability to receive, via the system and communication lines, changes downloaded from the central computer (changes could involve legislation, procedures or program changes)
- edit and validation of vehicle related data at the time an applicant is physically present to provide additional or better information
- significant reduction of applications held up by Division of Vehicle awaiting applicant response to correct deficiencies

Kansas Association of Counties

Serving Kansas Counties

212 S.W. SEVENTH STREET, TOPEKA, KANSAS 66603 PHONE 913 233-2271

March 3, 1987

To: Representative Rex Crowell
Members of the House Transportation Committee

From: Bev Bradley, Legislative Coordinator
Kansas Association of Counties

Re: HB-2458 Concerning Increasing Fees For Motor Vehicle
Certificate of Title

Thank you Mr. Chairman and members of the committee. I am Bev Bradley representing the Kansas Association of Counties.

The Kansas Association of Counties supports HB-2458. We understand this is the chosen procedure for funding the VIPS - project and counties would receive benefit from it.

Att. 4

STATE OF KANSAS



OFFICE OF THE GOVERNOR

State Capitol
Topeka 66612-1590
(913) 296-3232

Mike Hayden *Governor*

March 3, 1987

The Honorable Rex Crowell, Chairman
Committee on Transportation
House of Representatives
Statehouse

Dear Representative Crowell:

As you consider House Bill No. 2525 in connection with the necessity for reissuance of motor vehicle license plates in 1988, I wish to express my support for the principle of requiring both front and rear license plates on certain vehicles.

Reflectorized license plates on the front and rear of most vehicles will be of significant assistance to single officer patrols at night and will serve to alert passing motorists to stalled or parked vehicles along the roadside. The existence of front plates will allow merchants and others to record more easily the license numbers of parked vehicles which are giving cause for suspicion. Law enforcement officers on the highway can, in most instances, check the license numbers of oncoming vehicles when they are searching for specific suspects.

The cost of the additional plates is quite small, especially when compared with the benefits which will accrue to law enforcement officers of cities, counties and the State of Kansas. I respectfully request your committee to give favorable consideration to this matter in HB 2525.

Sincerely,

A handwritten signature in cursive script that reads "Mike Hayden".
Mike Hayden
Governor

cc: Speaker Braden
Col. Bert Cantwell

Att. 5

SUMMARY OF TESTIMONY

Before the House Transportation Committee

HOUSE BILL 2525

Presented by the Kansas Highway Patrol

(Colonel Bert Cantwell)

March 3, 1987

The Patrol strongly supports House Bill 2525.

As a law enforcement agency we have a vested interest both from a practical and safety standpoint.

Considering the primary purpose of license plates, to afford identification of the vehicle and registered owner and to assure compliance with the registration laws, our mission would be greatly enhanced through a two-plate application.

On numerous occasions annually the Patrol responds to the public's call for assistance by delivering emergency messages. These messages range from notifying loved ones of a death or serious illness in the family to locating a motorist with a heart condition and advising them that they left their medication behind. Needless to say, license plates - specifically front plates - are of paramount importance for identification purposes when time is critical.

It is generally recognized that a patrol officer will have the opportunity to read three front plates, when available, to every rear plate. Obviously, the proposed application would afford more ready identification of traffic units both for officers and the cooperating public.

Our major concern in this regard is officer safety. With the ability to read a front plate an officer can effect identification and have the opportunity for radio contact with a base point or other officers, as well as, prepare themselves mentally and physically prior to stopping the vehicle, particularly on felony or high risk stops. Conversely, when the officer must pull behind the vehicle to effect the identification, time becomes a critical factor in preparing for the stop which may well be immediate.

Additionally, this ability would eliminate the need for many dangerous turn-arounds on busy highways to identify a vehicle where only a rear plate is available and identification rests on that factor alone.

The legislature, in recent years, has greatly assisted our efforts through adoption of the reflectorized license plate and the SAM-123 numbering system which will take effect in 1988. We again request your support in further improving the system through favorable consideration of this bill.



KANSAS STATE TROOPERS ASSOCIATION

EXECUTIVE DIRECTOR

May 3, 1987

LARRY MOSSMAN
316-221-9500
Box 195
Winfield, Ks. 67156

HOUSE TRANSPORTATION COMMITTEE

TWO PLATE STATE

EXECUTIVE BOARD

Trooper
RAY BAILIFF
PRESIDENT
913-727-3424
Leavenworth, Ks. 66048

Trooper
AL SANCHEZ, JR.
VICE PRESIDENT
Olathe, Ks. 66061

Trooper
CHARLES KOHLER
SECRETARY
Kansas City, Ks. 66104

Trooper
KEN SWART
TREASURER
Topeka, Ks. 66614

Trooper
MIKE ANDROES
SGT. AT ARMS
McPherson, Ks. 67460

The Kansas State Troopers Association supports the two license plate requirement because it will greatly assist the Law Enforcement community in fullfilling their mission.

The need for both a front and a rear plate is more important now than it ever has been. As vehicle makes, models, styles and colors become more similar and the numbers of vehicles increase; The license plates become increasingly more important in the identification process required by our criminal justice system.

The minimal costs and inconvenience of the front plate will be outweighed by the benefits in registration enforcement, criminal apprehension and officer safety.

DIVISION DIRECTORS

Trooper
LARRY OCHS
DIVISION ZERO
Ottawa, Ks. 66067

Trooper
JAMES PAULY
DIVISION ONE
Wamego, Ks. 66547

Trooper
DAVID OLLENBERGER
DIVISION TWO
Herington, Ks. 67449

Trooper
CHARLES WANAMAKER
DIVISION THREE
Wakeeney, Ks. 67672

Trooper
JEFF COLLIER
DIVISION FOUR
Fort Scott, Ks. 66701

Trooper
GEORGE "CHIP" WESTFALL
DIVISION FIVE
Newton, Ks. 67114

Trooper
GARY HARKNESS
DIVISION SIX
Larned, Ks. 67550

Trooper
BILL BROCKMAN
DIVISION SEVEN
Topeka, Ks. 66610

Trooper
TERRY MAPLE
DIVISION EIGHT
Wakarusa, Ks. 66546

Trooper
MICHAEL BACKUS
DIVISION NINE
Bonner Springs, Ks. 66012

RAY BAILIFF, President
KSTA

Att. 7

Kansas Peace Officers' Association

INCORPORATED



March 3, 1987

BOARD OF GOVERNORS

GOVERNORS (At Large)

JOHN DAILY
Sedgwick Co. Sheriff's Office
Wichita, Ks. 67203

DENNIS TANGEMAN
Kansas Highway Patrol
Salina, Ks. 67401

GEORGE SCHUREMAN
Ks. Bureau of Investigation
Topeka, Ks. 66604

GALEN MARBLE
Ks. Bureau of Investigation
Dodge City, Ks. 67801

DISTRICT 1 MIKE CHIDDIX

Johnson Co. Sheriff's Office
Olathe, Ks. 66202

WARREN McVEY
Chief of Police
Springhill, Ks. 66083

LAYNARD SHEARER
Kansas Highway Patrol
Olathe, Ks. 66202

DISTRICT 2

ROGER KRAMER
Junction City, Ks.

Junction City, Ks. 66441

GLENN GATHERS
Saline Co. Sheriff's Office
Salina, Ks. 67401

NATE SPARKS
Kansas Highway Patrol
Junction City, Ks. 66441

DISTRICT 3

LAWRENCE YOUNGER
Chief of Police
Hays, Ks. 67601

KENNETH McGLASSON
Kansas Highway Patrol
Wakeeney, Ks. 67672

FRANK REESE
Ellis Co. Sheriff's Office
Hays, Ks. 67601

DISTRICT 4

GLENN WELSH
Coffeyville Police Dept.
Coffeyville, Ks. 67337

HOWARD KAHLER
Woodson Co. Sheriff's Office
Yates Center, Ks. 66783

DAVE MAYFIELD
Kansas Highway Patrol
Yates Center, Ks. 66783

DISTRICT 5

JIM DAILY
Great Bend Police Dept.
Great Bend, Ks. 67530

JACK ATTEBERRY
Pawnee Co. Sheriff's Office
Larned, Ks. 67550

F. DUANE DUGAN
Alcohol Beverage Control
Great Bend, Ks. 67530

DISTRICT 6

RANDY MAGNISON
Garden City Police Dept.
Garden City, Ks. 67846

LARRY MAHAN
Kansas Highway Patrol
Garden City, Ks. 67846

RAY MORGAN
Kearny Co. Sheriff's Office
Lakin, Ks. 67860

DISTRICT 7

DOUG MURPHY
Chief of Police
Maize, Ks. 67101

ED PAVEY
Sedgwick Co. Sheriff's Office
Wichita, Ks. 67203

LARRY WELCH
Ks. Law Enforcement Training Cen.
Hutchinson, Ks. 67504

DISTRICT 8

ROBERT HUDSON
Riley Co. Police Dept.
Manhattan, Ks. 66502

CLIFFORD HACKER
Lyon Co. Sheriff's Office
Emporia, Ks. 66801

HOWARD DOCKER
Kansas Highway Patrol
Topeka, Ks. 66603

SERGEANT-AT-ARMS
DALE HOLSEY
Kansas Highway Patrol
Sedgwick, Ks. 67135

Honorable Rex Crowell, Chairman
Transportation Committee
State Capitol
Topeka, Kansas

Dear Chairman Crowell:

On behalf of the Kansas Peace Officers' Association (KPOA), I am here testifying in favor of HB 2525, requiring two license plates on certain motor vehicles.

Each year that a bill of this nature has been introduced, law enforcement officials have tried to convince legislators of the necessity of reinstating this law to aid in the identification of criminal suspects; however, the apparent fiscal impact has always brought death to this bill.

Ladies and gentlemen of the Committee, it's very logical and very simple--having a front license tag on vehicles will undoubtedly allow law enforcement officers the opportunity to more readily identify suspicious vehicles in emergency situations (i.e., the officer and the vehicle in question going in different directions).

With the new license numbering system soon to be in effect, this would be an opportune time to start requiring vehicles to bear a front tag as well as a rear tag. Any fiscal impact would be fairly minimal when in specific situations of suspicious activity, we might be talking the price of a human life--be it a police officer or a civilian.

For the sake of better law enforcement, we wholeheartedly urge this Committee to pass HB 2525.

Thank you.

Sincerely,

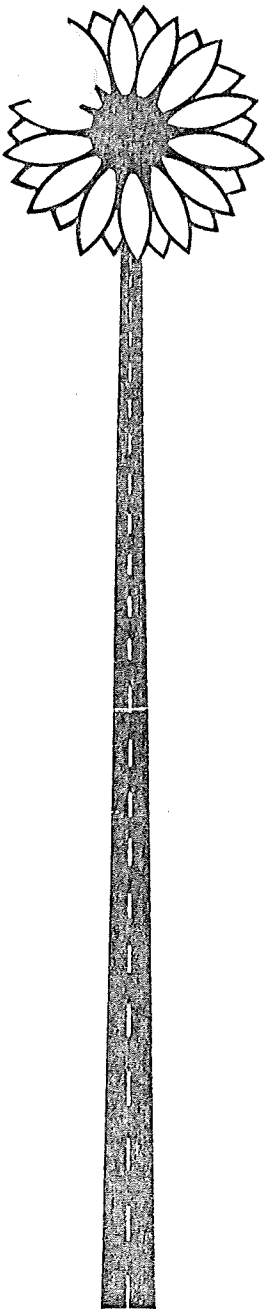
Mary Lou McPhail

Mary Lou McPhail

KPOA Legislative Committee Chairman

In Unity There Is Strength

A.H. 8



Kansans for Highway Safety

February 27, 1987

To the House Transportation Committee Members:

Kansans for Highway Safety supports HB 2525, which would require license plates for both front and rear of vehicles. Our reasons for support are two-fold:

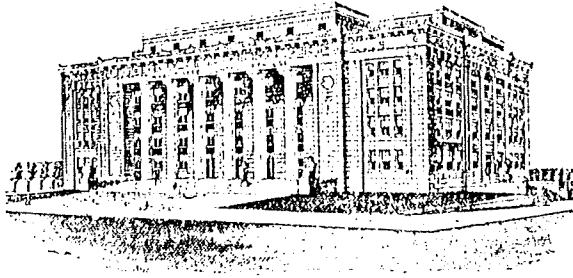
1. Two plates will make a vehicle easier to identify by law enforcement personnel and witnesses for crimes, driving infractions, and other problems, since the vehicle can be identified from both directions.

2. The paint used on the new signs will be reflective (such as is used on highway signs) and will make the vehicle easier to see in the dark. A national safety workshop last year in Washington, D.C. called for more widespread use of reflective markings, thereby improving driver visual information, especially in terms of increased reaction time. Therefore, if a vehicle's lights are out, other drivers may be able to spot it more easily. This increased safety factor would be at least doubled if two license plates are required instead of one.

Your consideration on this bill is greatly appreciated.

Sincerely,

Nancy Clark Bauder
President



573-2823

OFFICE OF
MARY P. LADESIC
COUNTY TREASURER
WYANDOTTE COUNTY COURT HOUSE
KANSAS CITY, KANSAS 66101



To: HOUSE TRANSPORTATION COMMITTEE
From: MARY P. LADESIC, LEGISLATIVE CHAIRMAN, TREASURER'S ASSOCIATION
Re: HOUSE BILL 2525

THE TREASURER'S ASSOCIATION OPPOSES THE TWO PLATES PROVIDED IN THE PROPOSED H.B. 2525 FOR A NUMBER OF REASONS.

IN ACCORDANCE TO STATUTE 8-129, APPLICATION MADE BY MAIL SHALL BE ACCOMPANIED BY .50¢ FOR POSTAGE. THIS AMOUNT HAS NOT CHANGED FOR AT LEAST THE LAST 30 YEARS ALTHOUGH POSTAL RATES HAVE ESCALATED DURING THIS SAME PERIOD OF TIME. AT THE PRESENT TIME THE COST OF MAILING A SINGLE PLATE FIRST CLASS AS REQUIRED BY LAW IS .88¢ AND TWO PLATES \$1.75. POSTAL RATES FOR 1983 WHICH IS THE PROPOSED YEAR FOR ISSUANCE OF NEW PLATES ARE UNKNOWN. WYANDOTTE COUNTY ANTICIPATES PROCESSING 50,000 APPLICATIONS IN THE NEXT ISSUANCE YEAR BY MAIL. BASED UPON THIS FIGURE WE WOULD CREATE A DEFICIT IN THE AMOUNT OF \$62,500. WE WOULD LIKE TO CLARIFY THE MANNER IN WHICH THE COUNTY MOTOR VEHICLE DEPARTMENT IS FUNDED.

PRIOR TO JAN. 1, 1986 THE COUNTIES WERE ALLOWED TO RETAIN \$1.25 PER REGISTRATION TO BE DEPOSITED IN COUNTY TREASURER'S SPECIAL FUND. THESE FUNDS PROVIDE FOR PERSONNEL BENEFITS AS WELL AS ALL EQUIPMENT AND SUPPLIES

Att. 10

NEEDED TO OPERATE THE MOTOR VEHICLE DEPARTMENT. IT WAS NECESSARY IN 1985 FOR THE TREASURER'S TO REQUEST AN INCREASE OF .50¢ PER REGISTRATION TO ACCOMMODATE INCREASES IN THE AREA OF WAGES, HOSPITALIZATION, SOCIAL SECURITY, SERVICE CONTRACTS, MATERIALS AND EQUIPMENT. THIS INCREASE WAS GRANTED BY PASSAGE OF S.B. 155 TO GO INTO EFFECT ON JAN. 1, 1986.

QUESTIONS HAVE ARISEN CONCERNING THE BALANCE REMAINING IN THE MOTOR VEHICLE DEPARTMENT AT THE CLOSE OF EACH YEAR. AT THE PRESENT TIME THE STATUTE REQUIRES THIS BALANCE BE CREDITED TO THE COUNTY GENERAL FUND. IN WYANDOTTE COUNTY THE FOLLOWING AMOUNTS WERE CREDITED TO COUNTY GENERAL FUND:
1983 = \$5,529.08, 1984 = \$2,679.10, 1985 = . THE INTENT OF CREDITING ANY REMAINING BALANCE TO COUNTY GENERAL FUND WAS TO COMPENSATE FOR FACILITIES AND UTILITIES WHICH THEY PROVIDE FOR THE MOTOR VEHICLE DEPARTMENT. AS YOU CAN WELL SEE, OUR MOTOR VEHICLE DEPARTMENT COULD NOT EXIST WITHOUT COUNTY ASSISTANCE.

BILLS WITH THE SAME INTENT OF H.B. 2525 HAVE BEEN PROPOSED EACH OF THE LAST THREE YEARS AND HAVE MET WITH UNSUCCESSFUL PASSAGE. ADDITIONALLY THERE WAS AN INTERIM STUDY CONDUCTED THIS PAST SUMMER AND IT WAS REPORTED ADVERSELY.

THE MANUFACTURING OF THE NEW SAM-123 PLATES WAS BEGUN IN JULY OF 1986. THIS PRODUCTION WAS BASED ON THE 1 PLATE THEORY. AT THE PRESENT TIME, IT IS IMPOSSIBLE TO DETERMINE HOW MANY PLATES HAVE BEEN MANUFACTURED. THE PASSAGE OF THIS BILL WOULD REQUIRE THE PRODUCTION OF A DUPLICATE PLATE FOR ALL OF THOSE ALREADY MADE. THIS WOULD RESULT IN GREATLY INCREASED SET-UP AND PRODUCTION COSTS TO MAKE THESE ADDITIONAL PLATES.

THE TRANSFER OF THESE PLATES TO THE RESPECTIVE COUNTIES WOULD THEN MEET WITH MUCH CONFUSION AS IT WILL BE IMPOSSIBLE TO SEND BOTH PLATES TOGETHER, SINCE THE ORIGINAL PLATES HAVE ALREADY BEEN MADE AND PACKAGED FOR DELIVERY. THE NUMBER OF LICENSE PLATES TO BE SENT TO EACH COUNTY WOULD BE DOUBLED AND TWICE AS MUCH STORAGE AS PREVIOUSLY THOUGHT WILL BE NECESSARY.

FINALLY, BECAUSE OF THE SECOND TAG AN INCREASE OF .50¢ WILL BE IMPOSED UPON EACH PERSON THAT REGISTERS A VEHICLE.

WE DON'T FEEL THAT THE ADDITIONAL COSTS IN PRODUCTION, MAILING AND STORAGE JUSTIFY OR ARE COST EFFECTIVE FOR THE PROPOSED BENEFITS DERIVED FROM HAVING 2 PLATES. NOR HAS ADEQUATE COMPENSATION FOR POSTAGE BEEN ADDRESSED.

THANK YOU FOR YOUR ATTENTION IN THIS MATTER AND I WILL BE HAPPY TO STAND FOR QUESTIONS.



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2919

February 27, 1987

TO: All Representative on the Transportation Committee
RE: Two License Tag Bill No 2525

I am opposed to the two tag issue Bill #2525 for several reasons. I would like to thank the Chairman and each member personally for letting me appear before you and giving you my concerns why I am opposed to the two tag Bill #2525, and 97% of the persons I sent surveys to are also opposed.

First of all, I feel there is a serious problem in the bidding procedure. There is only one Company that can bid the Sheeting, Stickers, and Decals. But, there are several Companies that make these same items and according to the audit done by the Legislative Committee on April 1986 all three items were packaged into one bid by the Department of Revenue and the Department of Purchases. Even though, the recommendations set out by the audit implied that this was a bad procedure. This could cause great problems in the future because of the price. The audit shows we already pay more than any other State for our license tags. Without competitive bidding for these items we could be subject to price increases at random, similar to the reflective sheeting for signs which has raise three times in the last year. And now we have information that the reflective sheeting price could change without notice.

Another reason I am opposed to this bill is because it will just create an extra burden to the taxpayers young and old in the State of Kansas. If this committee would really want to do something to benefit the traveling public, I would suggest to pass legislation to add more patrol on our highways. The patrolmen actually save lives. I have never heard of a license plate actually save a life.

According to the audit 3M Company is the only ones that will gain by this second plate, and I mean from 3 to 4 million dollars. I personally have nothing against the 3M Company because I buy 3M products to use in my own traffic control business. But the way I understand the audit, and I am not a lawyer, this is a pure monopoly (exclusive control of a commodity or service in a given market, or control that makes possible the fixing of prices and the virtual elimination of free competition). What if a farmer could buy only one brand of seeds, what if only one insurance company would be allowed to sell insurance in Kansas. That it not the American Way, this country was built on equal opportunity, fair bidding, open-minded legislators and good values for the American public.

If any of you read just any part of the material from the newspaper clippings I left in your offices on Wednesday, the 25th, you could see by those that we are not the 1st State to encounter this problem with the same manufacturer. We, in Kansas, are 1 of 19 States as of March 1, 1986 from our surveys I took of all 50 States, that still has one plate. There are 13 States that has a painted plate with glass beads, and there are 6 States that has a painted plate only.

Attach. 11



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2919

I feel assured that the good members on this committee will vote thumbs down on this bill #2525, the same as the committee did last year. And I would personally like to see the two tag issue pegion-holed for atleast five years, hoping with our new leadership the economy will improve.

If I wanted to read to you all the material I have on this issue and the hundreds of surveys I have sent out it would take me the rest of today and the week. I would like to apologize for taking all the time I have to try to explore with you this grave issue facing our taxpayers. If any member of this committee wants to meet with me at their office in Topeka, or their home anywhere in Kansas, I would be more than happy to do so. I would like each one of you to know that I am not a negative person, except when I feel the taxpayers are getting rip-offed, also when anyone rights are being infringed on.

I am including nine of the several surveys I took in the Wyandotte-Johnson County area. These were sent to lawyers, city council people, and everyday people. As you can plainly see the people do not want to pay for a second plate.

Sincerely Yours,

CONTRACTORS TRAFFIC PROTECTION CO., INC.

A handwritten signature in cursive script that reads "B. D. Kanan".

B. D. Kanan,
President

According to State officials in North Carolina, the graphic Sakai sheeting has been used satisfactorily since 1983. The cost of the Sakai sheeting was reported to be 76 cents per square foot. This price is about 20 cents per square foot less than the 3M Company sheeting now used in Kansas.

Kansas Now Awards a "Package" Contract for License Plate Sheeting, Stickers, and Decals

Before April 1986, the Department of Revenue awarded separate contracts for license plate sheeting, annual validation stickers, and other decals. This practice allowed several companies to bid on stickers and decals, even though they could not qualify to bid on the reflective sheeting. Starting in April 1986, the Department packaged the bid so that one company receives the contract for all license plate sheeting, stickers, and decals. Because 3M Company is the only firm that has qualified to bid on license plate sheeting, this practice effectively ensures that 3M will receive the entire contract. Under the latest contract, 3M will receive \$0.97 per square foot for three-color graphic sheeting, \$0.865 for plain white sheeting, \$1.33 for validation stickers, and \$0.735 for other stickers and decals.

Department of Revenue officials told the auditors that this practice was adopted because of the amount of time involved in letting separate contracts, and to ensure that validation stickers were of similar high quality as the sheeting. While this may be true, packaging the bid also has the effect of eliminating competitive bidding on validation stickers and decals for Kansas license plates. For highway sign sheeting, the Department of Transportation awards contracts to the lowest qualified bidders on individual items, rather than requiring a single contract to one company.

Specifications prevent other firms from bidding on license plate sheeting, stickers, and decals. During their review of the most recent contract for license plate reflectorized sheeting, the auditors reviewed records of the Division of Purchases and contacted firms to determine why the notified firms did not submit bids for the reflectorized sheeting. The auditors found that some of the other firms might have bid on the reflectorized sheeting contract if the specifications had been written differently. The firms and their comments follow.

- Seibulite of America asserted that specifications were written so that only 3M could bid, and that the directional security markings are a patented 3M process. Seibulite can provide reflectorized sheeting with non-directional security markings, which the firm thinks are better than directional markings. The specifications also call for a clear coating over the sheeting, which is required for the 3M sheeting but not for the Seibulite product.
- Flex-O-Lite asserted that the specifications for fully reflective sheeting were written for 3M. Flex-O-Lite produces beads-on-paint that is applied to the embossed numbers and letters only, which would not meet the requirements of current Kansas law. However, a Flex-O-Lite official said that his firm's beads-on-paint process would cost 22-25 cents less per license plate than the fully reflectorized sheeting.
- Morgan Adhesive sells only through authorized dealers, and did not bid for this reason.
- Avery International did not bid because the products required by the specifications were not manufactured by this firm.

American Decal & Manufacturing Company does not make reflective sheeting for license plates, but does make validation stickers. The firm asserted that the specifications were prohibitive and covered by patents held by 3M Company. This firm could not bid in Kansas even though it furnishes validation stickers to at least 12 other states.

- Ve-Ped Traffic Controls was not contacted because no telephone listing could be located for this firm.

Recommendations

1. The Department of Revenue and the Division of Purchases should ensure that all potential bidders for license plate sheeting are identified and solicited for bids.
2. Rather than packaging all bids for license plate sheeting into one contract, the Department of Revenue and the Division of Purchases should consider evaluating and awarding bids separately for license plate sheeting, validation stickers, and decals.

counterfeiting by requiring the sheeting to "display a bold directional positive identification image that is visible only at a specified viewing angle and is extremely difficult to counterfeit. The bold directional image shall facilitate visual verification in the field as well as identification of the year of production and sheeting manufacturer."

The presence of this image not only deters counterfeiting of plates, but also gives law enforcement officers a way to determine the validity of a license plate. The auditors did not attempt to determine whether the presence of this image adds to the cost of the reflective sheeting used in Kansas.

Despite the Numerous Quality Control Specifications, The Cost Per Square Foot of License Plate Sheeting Has Risen Only Slightly in the Past Five Years

The majority of the sheeting purchased in Kansas is white, with a preprinted design of gold and blue. Over the past five years, the price of this sheeting has risen from \$0.93 to \$0.97 per square foot, an increase of four cents or about four percent. Similar increases have apparently occurred for other colors of sheeting. On this basis, it appears that 3M Company has not used its monopoly position to force any large increase in the price of reflective sheeting for license plates.

Kansas' Cost Per Square Foot of Reflective Material Is Slightly Higher Than in Other States

The cost-effectiveness of reflective license plate material in Kansas can be analyzed by comparing costs with other states. The table below shows that Kansas' sheeting costs per license plate are slightly higher than nearby states that use reflective sheeting--Nebraska, Oklahoma, and Illinois--and considerably higher than states that use a beads-on-paint process--Iowa, Missouri, and Colorado.

**Kansas and Other States
Reflective Materials on License Plates**

<u>State</u>	<u>Type of Reflectorized Material</u>	<u>Cost Per Square Foot</u>	<u>Cost Per License Plate</u>
Kansas	Reflective Sheeting	\$0.97	\$0.48
Nebraska	Reflective Sheeting	\$0.89	\$0.45
Oklahoma	Reflective Sheeting	\$0.90 to \$1.00	\$0.45 to \$0.50
Illinois	Reflective Sheeting	\$0.93	\$0.47
North Carolina	Reflective Sheeting	\$0.76	\$0.38
Iowa	Beads-on-Paint	--	\$0.10
Colorado	Beads-on-Paint	--	\$0.10
Missouri	Beads-on-Paint	--	na

North Carolina is included on the table above because it is apparently the only state now using a reflective sheeting not made by 3M Company. For reflective sheeting, North Carolina pays about 10 cents less per plate than Kansas pays. On a reissue of three million

How Have the Volume, Cost, Requirements for, And Types of Sheeting Used by State Agencies Changed in Recent Years, and Why?

License Plates

The Department of Revenue issues more than 30 different types of license plates. These include plates for automobiles, trucks, trailers, and motorcycles. Except for plates made for the Kansas Corporation Commission, virtually all license plates are reflectorized. The reflective sheeting used for most automobile license plates is white, with a preprinted graphic design. The design includes a gold sunflower in the upper left corner and the word KANSAS in blue across the top of the plate. For other types of plates, the reflective sheeting may be plain white, gold, or straw-colored.

License Plates

Two materials can be used to make license plates reflective: beads-on-paint and reflective sheeting.

Beads-on-paint

Beads-on-paint is a mixture of glass beads and paint that can be applied to the raised letters and numbers of a license plate. The statutory requirement for the face of every new license plate to be completely coated with a reflective material precludes the use of beads-on-paint for Kansas license plates.

Reflective sheeting

Reflective sheeting is a plastic sheeting that is embedded with a coating of glass lenses. The Department of Revenue uses reflective sheeting for virtually all license plates, except those made for the Kansas Corporation Commission.

License Plate Construction

The Secretary of Revenue is required by statute to contract for the manufacture of license plates with an organization that employs physically handicapped persons in Kansas. The Department currently has a contract with Center Industries in Wichita to make all license plates for Kansas vehicles. The following is the general process used by Center Industries.

- Reflective sheeting 12 inches wide is applied to aluminum by an applicator.
- The aluminum and reflectorized sheeting is stamped into 6-inch by 12-inch blank plates by a blanking press.
- The raised numbers and letters are added to the blank plates by an embossing machine.
- Ink is applied to the raised portions of the license plate by a roller coater, completing the finished license plate.

License plates are manufactured in Wichita by Center Industries, an organization employing physically handicapped persons. The equipment used at Center Industries is owned by the Department of Revenue. This equipment includes a tag-making system and cleaning tanks acquired in 1981 for \$210,900, plus two machines made by 3M Company that cost approximately \$16,700.

In reviewing agency records for license plate sheeting, the auditors found that the material specifications have not changed since 1982, and that 3M Company is the only company currently qualified to bid on that sheeting. Nearly 600,000 reflectorized license plates have been produced each year since 1981. The cost of the reflective sheeting used has risen by 4.3 percent to its current rate of 97 cents per square foot. The auditors also found that Kansas has not sought a bid from another company that successfully bid on reflective sheeting for license plates in North Carolina. Finally, they found that the Department of Revenue's decision to "package" all bids for license plate sheeting, stickers, and decals has eliminated competition for stickers and decals. These findings are discussed in the following sections.

Since 1982, the Type of Sheeting Used For License Plates Has Not Changed

To establish State specifications for reflective sheeting, the Department of Revenue relied heavily on federal specification L-S-300C, as approved by the federal General Services Administration.



The design of Kansas' new license plates reflects the state's position as the nation's top producer of wheat.

New car license tags to be stamped out

From the Topeka Bureau

TOPEKA — Production of Kansas' redesigned license plates, complete with a new numbering system, will begin in July, but the tags won't begin appearing on the street until Jan. 1, 1988.

Because the switch to the new plates will require 3.2 million of them, the state's supplier, Center Industries Corp. of Wichita, will need a lead time of 18 months to manufacture them.

Center Industries, a non-profit organization affiliated with the Cerebral Palsy Research Foundation of Kansas, employs both handicapped and able-bodied individuals in tag production, which at one time was assigned to inmates at the Kansas State Penitentiary in Lansing.

The new tags, expected to cost about \$4 million, will be white with a ribbon of yellow along the top. Letters and numbers will be dark blue, and a brown shaft of wheat will occupy a prominent spot in the middle of the tag.

In addition to the new design that reflects Kansas' position as the nation's top wheat producer, the new tags will feature the new "SAM 123" system of using

The new tags, expected to cost about \$4 million, will be white with a ribbon of yellow along the top. Letters and numbers will be dark blue, and a brown shaft of wheat will occupy a prominent spot in the middle of the tag.

three letters followed by three numbers to identify each vehicle. Now county designations and numbers are used.

Traditional county markings no longer will be stamped on the reflectorized plates. Instead, they will be printed on decals that will be attached separately to the upper left corners of the tags. Officials think the decal system will allow a smaller tag inventory to be maintained because plates for each county won't have to be produced.



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2915

Indianapolis News

- March 4, 1986 3M Finds Gold Here With No Competition.
- March 5, 1986 3M Picks Up Tab For Golf, Outings, Hunting Trips.
- March 6, 1986 State Official's Daughter Gets 3M Job.

Sacramento Union, California

- April 17, 1980 State Picks Expensive Auto Plates, State Opens 3M Door.

The Colorado Statesman

- February 19, 1977 The Time 3M Marched On Denver.

The Atlanta Constitution

- March 3, 1978 15 Legislators Traveled On 3M Tab.
- March 2, 1978 3M Lobbyists Fight Back Move to End Monopoly.

Lansing State Journal-Michigan

- January 26, 1985 A Waste To Taxpayers.

Detroit Free Press

- February 26, 1975 Those High-Priced Licenses

The State Journal-Michigan

- January 6, 1978 The Reflectorized Plate Veto.

St. Louis Globe

- February 6, 1976 License Plate legislation Would Give 3M A Monopoly.

Hastings Tribune-Nebraska

- January 28, 1981 Clark Sees \$2 Million Saving In License Change.

New Jersey Reporter

- 3M Loading Up The Plate.

New Mexican Opinion-Santa Fe

- March 17, 1977 Stop 3M Lobby.

The State Carolina-Columbia, South Carolina

- March 23, 1975 License Plate Changeover Gives Firm Monopoly.

The Tennessean-Nashville

- April 25, 1976 Skinning The Taxpayers.
- March 4, 1980 The 3M Monopoly Should Be Broken.
- April 2, 1976 The 3M Investigation Here.
- May 14, 1978 Reflectorized Tags Believed Not Effective.

GRAFTEC

CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2911

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes No

2. Do you think we need to go to a two liscense plate system.

Yes No

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes No

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes No

Thank You Very Much For Your Time.

Sincerely Yours

B. D. Kanan

B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here

Bernard J Love



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2919

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes X No _____

2. Do you think we need to go to a two liscense plate system.

Yes _____ No X

3. Do you think the much cheaper painted plate with glass bead reflector-ization is adequate.

Yes X No _____

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes _____ No X

Thank You Very Much For Your Time.

Sincerely Yours

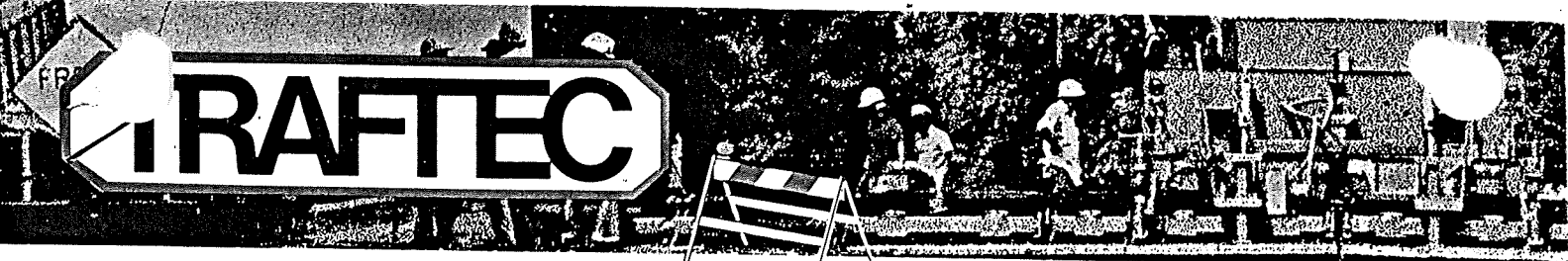
B. D. Kanan

B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here

M G Roland



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2919

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes X No _____

2. Do you think we need to go to a two liscense plate system.

Yes _____ No X

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes _____ No X

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes _____ No X

Thank You Very Much For Your Time.

Sincerely Yours

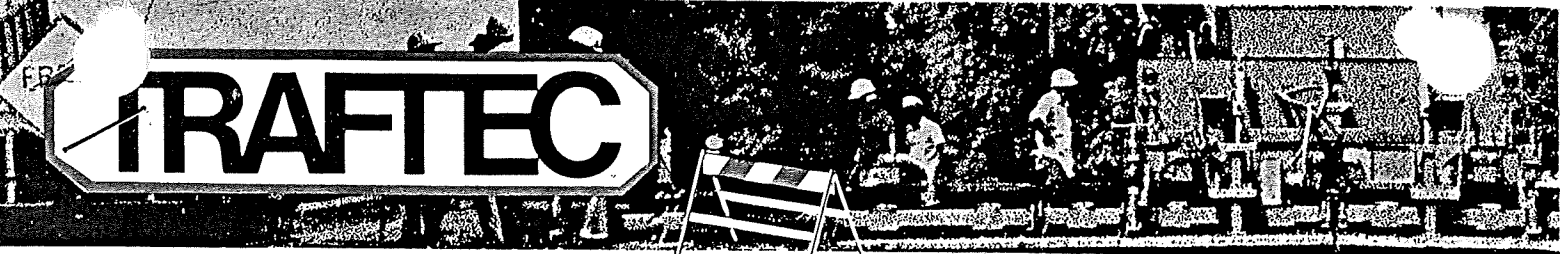
B. D. Kanan

B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here

James A. Thompson



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2911

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes XX No _____

2. Do you think we need to go to a two liscense plate system.

Yes _____ No XX

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes XX No _____

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes _____ No XX

Thank You Very Much For Your Time.

Sincerely Yours

B. D. Kanan

B. D. Kanan
President
Contractors Traffic Protection Co., Inc.

Please sign here

J. R. Russell
815 Anna Ave
R/C Kans

TRAFFTEC

CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2916

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes X No _____

2. Do you think we need to go to a two liscense plate system.

Yes _____ No X

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes X No _____

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes _____ No X

Thank You Very Much For Your Time.

Sincerely Yours

B. D. Kanan

B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here *Fred J. Myzelle*

*What ever happened to competitive bidding in the U.S.A. ?
Is 3 M paying off our elected officials in order to generate
more business ?*



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-291

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes No

2. Do you think we need to go to a two liscense plate system.

Yes No

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes No

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes No

Thank You Very Much For Your Time.

Sincerely Yours

B. D. Kanan

B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here

EW Jeffries

We pay too many Taxes as it is



CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-291

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes No

2. Do you think we need to go to a two liscense plate system.

Yes No

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes No

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes No

Thank You Very Much For Your Time.

Sincerely Yours

B. D. Kanan

B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here by

Jack Const. Co Inc
Jack



TRAFTEC

CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2919

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two license plates, and reflective sheeting vs. Reflective glass beads on paint for license plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one license plate system is adequate.

Yes _____ No X

2. Do you think we need to go to a two license plate system.

Yes X No _____

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes X No _____

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes _____ No X

Thank You Very Much For Your Time.

Sincerely Yours



B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here



TRAFFTEC

CONTRACTORS TRAFFIC PROTECTION CO., INC. 1420 KANSAS AVENUE/KANSAS CITY, KANSAS 66105/(913) 621-2911

July 27, 1986

Dear Friend & Tax Payer

I am going to appear before a house sub-committee in Topeka on August 12, and August 13 about the merit of two liscense plates, and reflective sheeting vs. Reflective glass beads on paint for liscense plates. I am sending out this survey as a concerned taxpayer. I would appreciate you filling it out and returning it as soon as possible. If you have any questions concerning these issues feel free to call me at 621-2929. I will take the results of this survey to the committee chairman Rep. Rex Crowell.

1. Do you think our present one liscense plate system is adequate.

Yes No

2. Do you think we need to go to a two liscense plate system.

Yes No

3. Do you think the much cheaper painted plate with glass bead reflectorization is adequate.

Yes No

4. Do you think a much higher priced Reflective Sheeting Graphic process plate that can be manufactured by only one company is needed.

Yes No

Thank You Very Much For Your Time.

Sincerely Yours

B. D. Kanan

B. D. Kanan
President

Contractors Traffic Protection Co., Inc.

Please sign here

Will Hullett

Per 1

Box 179

Spring Hill, Ks, 66083



KANSAS DEPARTMENT OF REVENUE
Office of the Secretary
 State Office Building · Topeka, Kansas 66612-1588

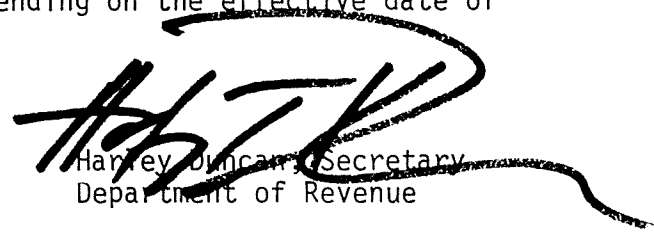
February 26, 1987

Estimated cost of issuance of the 2nd plate:

Second plate reissuance (less heavy trucks, trailers, motorcycles, motorized bicycles, and manufactured homes)	1,971,248
Original and replacement plates	425,000
4% annual increase	299,205
TOTAL PLATES	<u>2,695,453</u>
Manufacturing cost per plate	X \$1.11
	<u>\$2,991,953</u>
Additional manufacturing cost of 12¢ a plate for 675,000 plates to match plates already manufactured through June 1, 1987	<u>81,000</u>
Total Manufacturing cost	\$3,072,953
County decals for 2nd plate \$0.0180 X 2,830,250*	\$ 50,945
Month decals for 2nd plate \$0.0104 X 2,830,250*	29,435
Truck weight decals (12,000 lbs. or less) \$0.0268 X 625,650*	16,767
TOTAL COST OF DECALS	<u>\$ 97,147</u>
TOTAL COST OF 2ND PLATE	\$3,170,100
Less reflectorized plate fee \$0.50 X 2,695,453	-1,347,727
Less additional registration fee \$0.50 X 2,695,453	<u>-1,347,727</u>
NET COST OF 2ND PLATE	\$ 476,646

* These estimates include an approximate 5% reserve for county treasurers.

NOTE: Additional manufacturing cost to match plates already manufactured would be reduced by \$15,000 a month depending on the effective date of legislation.


 Harvey Duncan, Secretary
 Department of Revenue