

Approved _____

Date

3/17/87

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Senator Edward F. Reilly, Jr. at
Chairperson

11:00 a.m./p.m. on March 12, 1987 in room 254-E of the Capitol.

All members were present ~~except~~

Committee staff present:

Mary Galligan, Legislative Research
Emalene Correll, Legislative Research
Mary Torrence, Assistant Revisor of Statutes
June Windscheffel, Secretary to the Committee

Conferees appearing before the committee:

The Committee was asked to look at SB 352, concerning Alcoholic Beverage Control: manufacturers' licenses. No action was taken.

The next bill was SB 356, concerning retail sales of alcoholic beverages; hours, days, credit sales. Senator Strick moved to strike lines 134, 135, 136, and 137, which deals with credit card sales. Senator Anderson seconded the motion. There was discussion. Senator Anderson withdrew his motion. The motion was seconded by Senator Daniels. Senator Daniels offered a substitute motion, seconded by Senator Strick, that would include 68, 69, 70, and 71, in the section. The substitute motion failed.

Senator Arasmith moved that lines 40, 41, and 42, be removed. Seconded by Senator Daniels. No action was taken.

Senator Bond made the conceptual substitute motion that language be drafted in Section 1, subsection (c)(a) concerning drink mixers and to be specifically defined by the rules and regulations promulgated by the Alcoholic Beverage Control. The motion was seconded by Senator Anderson. The motion carried.

Senator Morris moved that SB 356 be reported favorably as amended. Seconded by Senator Bond. The motion carried. Senator Daniels voted "no."

SB 355, concerning cereal malt beverage retailers' licenses, state stamp, was next for discussion by Committee. Senator Arasmith moved to strike everything after \$25 on line 83, down through line 89, and in line 82 to delete "completed" and put in "approved." Seconded by Senator Vidricksen. Senator Daniels made the substitute motion that in line 84 to say "upon receipt of such application," and to strike the rest of line 84, and strike line 85 to the comma, and it would read, "the director shall authorize" and the rest of the subsection shall remain as it is. Seconded by Senator Arasmith. The motion carried.

Senator Bond moved that SB 355 be recommended favorably for passage as amended. Seconded by Senator Anderson. The motion carried.

Senator Bond presented a proposal for the Committee to introduce. (7 RS 1187, Attachment #1) It relates to motor vehicle fuels taxes. Seconded by Senator Martin. The motion carried.

The Chairman appointed a Subcommittee to discuss the capital punishment issue. It will be: Senator Morris, Chairman; Senator Arasmith; and Senator Martin. Proposed amendments will be given the Committee. The Chairman hope this Committee may discuss it next week. The meeting was adjourned at noon.

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.

Thursday 5:14 PM 8300

3/12/87

7 RS 1187

Attachment #1

SENATE BILL NO. _____

AN ACT relating to motor vehicle fuels taxes; providing for a border rate tax area.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) Notwithstanding the provisions of subsection (d) of K.S.A. 79-34,141, and amendments thereto, from and after 12:01 a.m. on the effective date of this act the tax imposed on motor vehicle fuels used, sold or delivered: (1) In cities which border on a state line; (2) within 800 feet of the state line; (3) within 800 feet of the Kansas terminal of a bridge spanning a river where the state line is in the center of the main channel of such river; or (4) from any establishment adjacent to a federal interstate highway and within one mile of a state line; shall not be greater than \$.01 per gallon above the rate of tax imposed in the adjoining state, but such tax rate shall not exceed the rate imposed in subsection (d) of K.S.A. 79-34,141, and amendments thereto.

(b) Any distributor or dealer of motor vehicle fuels who sells or delivers any motor vehicle fuels within any border rate tax area, except as provided in subsection (a), upon conviction, shall be guilty of a class C misdemeanor.

(c) Any consumer of motor vehicle fuel who has purchased motor vehicle fuel within a border rate tax area and has obtained delivery of such motor vehicle fuel into a storage tank, shall not deliver any such motor vehicle fuel into any auxiliary tank attached to any motor vehicle and shall only use such motor fuel in propelling a motor vehicle as has been delivered directly from a storage tank into the standard fuel tank of a motor vehicle. As used in this subsection, "standard fuel tank" means the fuel tank attached to the motor vehicle by the original manufacturer of the

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motor vehicle, except that it shall not include any auxiliary fuel tank of a motor vehicle even if attached to such motor vehicle by the original manufacturer. Any consumer violating any provisions of this subsection, upon conviction, shall be guilty of a class C misdemeanor.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.