

Approved January 18, 1990
Date

MINUTES OF THE House COMMITTEE ON Transportation

The meeting was called to order by Rep. Rex Crowell at
Chairperson

1:30 ~~a.m.~~ p.m. on January 17, 1990 in room 519-S of the Capitol.

All members were present except: Representatives Allen, Dean, excused

Committee staff present:

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

Conferees appearing before the committee:

Mr. Mark Wettig, Kansas Department of Revenue
Mr. Steve Montgomery, Kansas Oil Marketers Association
Mr. Kevin Allen, Kansas Motor Car Dealers Association
Mr. David Lord, Kansas Department of Transportation

The meeting was called to order by Chairman Crowell, and introductions were made. It was announced the first order of business was to receive Committee bill requests.

Mr. Mark Wettig, Kansas Department of Revenue, outlined legislation that the Department of Revenue wished to have introduced as Committee bills. (See Attachment 1)

A motion was made by Representative Freeman that these be introduced as Committee bills. The motion was seconded by Representative Wilbert. Motion carried.

Mr. Steve Montgomery, Kansas Oil Marketers, requested legislation be introduced as outlined in a balloon, that was passed among Committee members. (See Attachment 2)

A motion was made by Representative Dillon that this be introduced as a Committee bill. The motion was seconded by Representative Wilbert. Motion carried.

Mr. Kevin Allen, Kansas Motor Car Dealers Association, requested a bill be introduced which would revise current law governing the sale of vehicles at locations away from a licensed dealer's main location. (See Attachment 3)

A motion was made by Representative Dillon that this be introduced as a Committee bill. The motion was seconded by Representative Larkin. Motion carried.

Chairman Crowell called attention to a memorandum from Hank Avila outlining legislation carried over from the 1989 Session to the 1990 Session, which had been passed to Committee members. (See Attachment 4)

The next order of business was a hearing on HB-2599 concerning the removal, modification or relocation of public utility structures or facilities.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,
room 519-S, Statehouse, at 1:30 ~~am~~ p.m. on January 17, 19 90

Hank Avila briefed the Committee on the contents of HB-2599.

Mr. David Lord, Kansas Department of Transportation, testified in support of HB-2599. (See Attachment 5)

Committee discussion followed Mr. Lord's remarks.

The hearing on HB-2599 ended.

The meeting was adjourned at 2:00 p.m.



Rex Crowell, Chairman

w 21 1

KANSAS DEPARTMENT OF REVENUE
Office of the Secretary
Robert B. Docking State Office Building
Topeka, Kansas 66612-1588

TO: The Honorable Rex Crowell, Chairman
House Transportation Committee

FROM: Mark E. Wettig,
Special Assistant to the Secretary of Revenue

DATE: January 17, 1990

SUBJECT: Legislative Request

PROPOSAL

1. Authorize the Director of Vehicles to enter into an Interstate Dealer Licensing Compact in order to exchange information concerning violations or criminal corrections committed in party states.
2. Repeal sight clearance for motor carriers.
3. Technical corrections to DUI and Chem. Test Refusal statutes.
4. Increase penalties for delinquent proportional registration fees from 5% to 10% and allow taxpayers to request a hearing in disputed proportional registration cases.

General Information (913) 296-3909
Office of the Secretary (913) 296-3041 • Legal Services Bureau (913) 296-2381
Audit Services Bureau (913) 296-7719 • Planning & Research Services Bureau (913) 296-3081
Administrative Services Bureau (913) 296-2331 • Personnel Services Bureau (913) 296-3077

Attach. 1

REQUEST BY KANSAS OIL MARKETERS ASSOCIATION FOR INTRODUCTION OF BILL

such publication shall be an exception to the confidentiality provisions of K.S.A. 75-5133. The director

79-3420. Examination of books, records, property and equipment; secrecy required; exceptions. The director, or any deputy or agent appointed in writing by him or her, is hereby authorized to examine the books, papers, records, storage tanks, tank wagons, trucks, and any other equipment of any distributor, dealer, carrier, or any other person, pertaining to the use, storage, transportation, or sale and delivery of liquid fuels or motor fuels, to verify the accuracy of any report, statement, or payment made under the provisions of this act, or to ascertain whether or not all reports and tax payments required by this act have been made; but any information gained by the director, his or her deputies or agents, as the result of the reports, investigations, and verifications herein required to be made, shall be confidential, and shall not be divulged by any person except as herein provided. Every distributor, dealer, transporter, and consumer, and every person handling or possessing any liquid fuels or motor-vehicle fuels shall give said director, or his or her deputy or agent appointed in writing, full and free access during reasonable business hours to all the papers, records, and property hereinbefore mentioned, with full opportunity to examine the same: *Provided, however,* That the director may publish the gallons received by each licensed motor-vehicle fuel distributor and the deductions also claimed by such distributor and may make available or furnish information to the taxing officials of any other state or of the federal government, or the director of property valuation, in the manner as provided in K.S.A. 74-2424 and acts amendatory thereof.

History: L. 1933, ch. 317, § 20; L. 1939, ch. 330, § 14; L. 1943, ch. 307, § 3; L. 1971, ch. 317, § 1; July 1.

Att 2



KANSAS MOTOR CAR DEALERS ASSOCIATION
 800 Jackson, Suite 808 • Topeka, Kansas 66612 • (913) 233-6456 • (800) 825-0169 (KS only) • FAX (913) 233-1462

**BILL INTRODUCTION REQUEST
 OF KEVIN ALLEN, EXECUTIVE VICE PRESIDENT
 KANSAS MOTOR CAR DEALERS ASSOCIATION
 REGARDING "OFF-SITE" SALES OF VEHICLES**

Mr. Chairman, members of the committee, I am Kevin Allen, Executive Vice President of the Kansas Motor Car Dealers Association. This afternoon I wish to ask for the introduction and consideration of a Bill which would revise current law governing the sale of vehicles at locations away from a licensed dealer's main location. We call this concept the "Off-Site Sales Bill."

Several years ago the then existing law was revised rather rapidly with a number of changes which have adversely impacted the auto industry and created problems. This bill would require all who are in the business of selling vehicles to operate a verifiable place of business on a year round basis, thus enabling enforcement in monitoring the laws regarding everything from the collection of sales tax to compliance with dealer licensing and Consumer Protection laws on a regular and equal basis.

We would like to further expand upon this problem and inform you about it. As such, I respectfully request that you accept the opportunity to consider this legislation by allowing its introduction to the House of Representatives.

Attach. 3

4 Hank didn't speak on this

MEMORANDUM

Kansas Legislative Research Department

Room 545-N - Statehouse
Topeka, Kansas 66612-1586
(913) 296-3181

January 16, 1990

To: House Transportation Committee
Re: Proposed Legislation Carried Over from 1989
to the 1990 Session

**H.B. 2082 (By Committee on Federal and
State Affairs)**

This act relates to handicapped parking spaces, concerns the signing of these spaces, and provides for penalties for those who inappropriately use the spaces. The bill would require that handicapped parking spaces be clearly marked with vertically mounted signs with the international access sign and the statement "\$50 to \$200 fine, this law enforced."

The bill increases the fines for the misdemeanor offense for unauthorized parking in a handicapped parking spot from not more than \$50 to not less than \$50 and not more than \$200.

H.B. 2110 (By Representatives Schauf and Baker)

H.B. 2110 would exempt from motor fuel taxation all special fuel used by counties, cities, and townships in motor vehicles used for the construction, repair, or maintenance of public highways.

H.B. 2115 (By Representatives Schauf and Baker)

H.B. 2115 relates to traffic violations. This bill creates a new violation, "exhibition of acceleration," and imposes a fine of \$10 under the uniform fine schedule.

H.B. 2116 (By Representative R. D. Miller)

The act defines a golf cart and establishes conditions for the lawful operation of golf carts on public roads. The bill would define a golf cart as a vehicle with not less than three wheels, having an unladen weight of less than 1,300 pounds, which is designed to carry golf equipment and not more than two persons at speeds of not greater than 15 miles per hour.

The bill would allow a golf cart to be operated within a one-mile radius of a golf course when transporting the operator between the course and his or her residence. In addition, the golf cart could legally be operated on a designated county highway or city street and, under specific conditions, on a state highway. The

Attach. 4

Department of Transportation would be required to post appropriate signs indicating that such operations are allowed.

H.B. 2169 (By Representatives Johnson, Baker, and Schauf)

H.B. 2169 relates to renewal of registration. The bill specifies that anyone failing to renew a vehicle registration shall be subject to a fine of \$20 when less than 30 days late, \$50 when more than 30 days but less than 60 days late, and \$100 when more than 60 days late.

H.B. 2171 (By Representative Rezac)

H.B. 2171, relates to traffic violations. New Section 1 creates a new violation under the uniform fine schedule, "inattentive driving," imposing a \$20 fine for a conviction. Section 2 defines "exhibition of speed or acceleration" including, but not limited to, those acts which cause or create unnecessary rapid acceleration, unnecessary tire squeal, smoke, or slide upon acceleration or stopping, including the casting of road gravel, dirt, or other road surface materials from the tires or acts that cause the vehicle to unnecessarily turn abruptly, sway, or lose traction with the road surface.

H.B. 2186 (By Representatives Lowther, Freeman, and Wells)

H.B. 2186 would allow a local authority to prohibit the operation of vehicles on a highway or to impose weight restrictions on the vehicles to be allowed on a certain highway if that highway, because of deterioration or climatic conditions, will be damaged or destroyed by those vehicles. Current law allows such restrictions for only 90 days in a calendar year. This bill would eliminate the 90-day restriction.

In addition, the act would allow local authorities to prohibit the operation of trucks or commercial vehicles on certain roads and allow the imposition of weight and size restrictions as long as the premises adjacent to the restricted highways are served by some roadway.

H.B. 2197 (By Committee on Transportation)

H.B. 2197 relates to vehicle dealer licensing. This bill would permit lending agencies to purchase dealer license plates for a fee of \$25 per plate.

(1989 H.B. 2014 increased the fee for the first dealer plate from \$250 to \$275. The bill also increased the fee for additional dealer plates from \$16.25 to \$25.)

H.B. 2259 (By Representative Roy, et al.)

H.B. 2259 would prohibit the Kansas Turnpike Authority from charging or collecting tolls for transit over that portion of turnpike located between interchanges serving a single city.

H.B. 2265 (By Representatives Gross and Larkin)

H.B. 2265 relates to highways and provides for the financing of highways. The bill provides the Secretary of Transportation with authorization for expenditure of new revenues for construction, reconstruction, maintenance of state highways except that each highway district must have an equal amount of the new revenue expended in it.

The bill would allow the Secretary to expend state highway funds for elderly and handicapped transportation, except that the payments may not exceed 25 percent of the federal funds available to Kansas for those purposes.

H.B. 2265 would provide for an average increase in motor vehicle registration fees of approximately 50 percent and increase motor fuels tax by 3 cents in FY 1990 and an additional 1 cent in FY 1991.

The bill would transfer, effective October 1, 1989, 10 percent of the sales tax revenue from the State General Fund to the State Highway Fund.

(1989 H.B. 2014 enacted by the 1989 Legislature addressed the issue of highways.)

H.B. 2288 (By Representative Barr)

H.B. 2288 would require that every person operating a bicycle upon a highway anytime between one-half hour after sunset and one-half hour before sunrise wear a reflectorized material of a type approved by the Secretary of Transportation which is visible from a distance of 200 feet.

H.B. 2291 (By Committee on Energy and Natural Resources)

H.B. 2291 would prohibit refiners, marketers, and retailers of motor fuels from charging less than their costs for motor fuel they sell. The bill is meant to discourage price cutting that may tend to damage competition. Violators of the bill's provisions would be subject to a civil penalty of up to \$10,000 plus attorney fees for each offense. The bill also provides for injunctive relief. A cost survey would be used to establish the lowest available cost of fuels to wholesalers and retailers in each market area.

H.B. 2298 (By Representative Sprague)

H.B. 2298 would raise the legal driving age to 18 years and prohibit the issuance of restricted Class D licenses. A Class C restricted license could be issued to an individual who is at least 14 years of age to operate a Class C vehicle registered as a farm truck or truck tractor. The provision which permitted operation of a vehicle to school on a Class C restricted license has been deleted. The age at which an instruction permit can be obtained would be raised to 16 years.

H.B. 2301 (By Representative Patrick)

H.B. 2301 would require the Director of Accounts and Reports to transfer \$25 million from the State General Fund to the Special City and County Highway Fund

for the purpose of repairing and maintaining bridges under the jurisdiction of counties and cities. Monies received could not be used for computing the county entitlement from the County Equalization and Adjustment Fund.

H.B. 2318 (By Representative Patrick)

H.B. 2318 relates to various aspects of the Department of Transportation and the financing of highways. The bill includes the following provisions:

1. it would reduce by 500 FTE from the Department staff in FY 1990;
2. it would grant authority to local units to close specific routes on the highway state system for more than 90 days as long as adjacent premises are served by some roadway;
3. it would decrease of the number of miles in the state highway system from 10,000 to 9,000, with 750 miles removed based on traffic count and the availability of a generally parallel alternate highway;
4. it would increase by 20 percent the special LP-gas permits issued to LP-gas users operating motor vehicles on state public highways;
5. it would increase interstate motor fuel user trip permit from \$6.50 to \$7.50;
6. it would increase, effective July 1, 1989, on motor fuels tax per gallon from 11 cents to 13 cents, on special fuels from 13 cents to 16 cents, on LP-gas from 10 cents to 12 cents;
7. it would revise amounts transferred to the state freeway fund (59.5 percent to 66.3 percent) and the special city county highway fund (40.5 percent to 33.7 percent) effective August 1, 1987; and
8. it would revise the amount transferred daily from the state freeway fund to state highway fund from the current 81.6 percent to 86.3 percent.

(1989 H.B. 2014 enacted by the 1989 Legislature addressed the issue of highways.)

H.B. 2335 (By Representative Hoy, et al.)

H.B. 2335 relates to vehicle license plates. The bill would permit the surviving spouse of a former prisoner of war to keep the POW license plate. The right to the license plate would terminate upon remarriage.

H.B. 2343 (By Representative Whiteman)

H.B. 2343 relates to driver licensing. The bill would prohibit the Department of Revenue from issuing a license or instruction permit to an individual under 18 years of age who does not have a high school diploma. A license or instruction permit may be issued if there is documentation that the individual:

1. is enrolled in a GED program;
2. is enrolled in a secondary school; or
3. is excused from this requirement due to circumstances beyond the person's control.

The bill also provides for notification of the Division of Vehicles upon withdrawal of a student from school. The Division would, in turn, notify the licensee of a suspension of driving privileges within 30 days of the notice date, unless proper documentation is received.

H.B. 2487 (By Committee on Commercial and Financial Institutions)

H.B. 2487 would require the Division of Vehicles to title vessels/watercraft as defined in the bill. Application for title would be made at the owner's local county treasurer's office. An owner of a vessel on January 1, 1990 would not be required to obtain a title unless interest in the vessel is transferred. The fee for an original or duplicate title is \$7.50. The county treasurer would retain \$2 from each application for title as a fee for expenses incurred in administering this law. The remainder of the monies would be deposited to the State General Fund.

H.B. 2525 (By Committee on Taxation)

H.B. 2525 would change the handling allowance on the motor fuel tax to 2 percent. Currently, distributors are allowed a handling allowance of 2.5 percent of the first million gallons of motor fuel received during a calendar year and 2 percent on anything in excess of one million gallons.

S.B. 129 (By Committee on Transportation and Utilities as Amended by House Committee on Transportation)

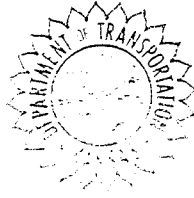
S.B. 129 relates to the use of certain vehicle registration fees by the county treasurer. The bill increases the additional compensation authorized for the county treasurer for administering the motor vehicle title and registration laws to \$520 per 1,000 vehicle registration, not to exceed \$7,800 for any calendar year. Also, the service fee charged for motor vehicle registrations is increased from \$1 to \$2.50. These fees are used in the administration of the motor vehicle title and registration laws, including payment of additional compensation to the county treasurer.

1989 H.B. 2561 increased from \$1.00 to \$2.25 the service fee charged by the County Treasurer for processing motor vehicle registrations.)

S.B. 340 (By Committee on Federal and State Affairs as Recommended by Senate Committee on Transportation and Utilities)

S.B. 340 deletes the provision which provided for payment from the Department of Revenue to wire service companies for transmitting licenses and permits to motor carriers and allows these companies to charge a transmittal fee to the carriers for this service. The "Permit and Licensing Agent Fund" is abolished.

STATE OF KANSAS



KANSAS DEPARTMENT OF TRANSPORTATION

*Docking State Office Building
Topeka 66612-1568
(913) 296-3566*

Horace B. Edwards
Secretary of Transportation

Mike Hayden
Governor of Kansas

TESTIMONY ON HOUSE BILL NO. 2599

GOOD AFTERNOON CHAIRMAN CROWELL AND MEMBERS OF THE COMMITTEE ON TRANSPORTATION. ON BEHALF OF SECRETARY EDWARDS, LET ME EXPRESS OUR APPRECIATION FOR YOUR CONSIDERATION OF H.B. 2599. THIS BILL ADDRESSES THE REMOVAL, MODIFICATION OR RELOCATION OF PUBLIC STRUCTURES OR FACILITIES AND PROVIDES FOR THE DEPARTMENT OF TRANSPORTATION TO ADVANCE FUNDS FOR THESE PURPOSES IN LIMITED SITUATIONS.

I AM DAVID LORD AND AM A MEMBER OF THE DEPARTMENT'S LEGAL STAFF. I WILL ATTEMPT TO ANSWER WHATEVER QUESTIONS YOU HAVE CONCERNING THIS PROPOSED LEGISLATION.

PROPOSAL NO. 55 WAS PRESENTED TO THE INTERIM SPECIAL COMMITTEE ON TRANSPORTATION. HOUSE BILL NO. 2599 IS A PORTION OF WHAT THAT COMMITTEE APPROVED FROM OUR ORIGINAL PROPOSAL.

THIS BILL CONCERNS GRANTING KDOT STATUTORY AUTHORITY TO ADVANCE OR LOAN FUNDS TO A UTILITY IF THEY ARE NEEDED TO ENABLE THAT UTILITY TO RELOCATE AS A RESULT OF HIGHWAY MODIFICATIONS.

IT IS GENERALLY UNDERSTOOD THAT UTILITY LINES AND STRUCTURES ARE FREQUENTLY LOCATED ON PUBLIC HIGHWAY RIGHTS OF WAY. THIS IS DONE WITH THE STATE'S CONSENT WITH THE PROVISIO THAT IF SUBSEQUENT RELATIONS BECOMES NECESSARY, IT WILL BE AT THE UTILITY'S EXPENSE.

THIS SAVES THE UTILITY THE COST OF OBTAINING ITS OWN EASEMENT.

THEREFORE, THE SMALLER UTILITIES, SUCH AS RURAL WATER DISTRICTS, ARE ATTRACTED TO THIS PROCEDURE. THE PROBLEM ARISES WHEN HIGHWAY

MODIFICATION BECOMES NECESSARY. AT THAT TIME, THE UTILITY MAY HAVE DIFFICULTY FINANCING THE RELOCATION. THEY ARE NOT LARGE ENOUGH TO HAVE BUDGETED FOR SUCH A POSSIBILITY, AND SECURING FINANCING MAY BE TIME CONSUMING. IT IS AT THIS POINT THAT IT WOULD BE VERY HELPFUL IF KDOT COULD ADVANCE THE FUNDS NECESSARY FOR THE RELOCATION. THE ADVANCEMENT OR LOAN WOULD SUBSEQUENTLY BE REPAYED.

GENERALLY, IF FEDERAL FUNDING IS INVOLVED IN A PROJECT, THE FEDERAL HIGHWAY ADMINISTRATION REQUIRES ALL UTILITY RELOCATION ARRANGEMENTS BE CONSUMMATED PRIOR TO KDOT BEING PERMITTED TO LET THE CONSTRUCTION CONTRACT. THUS, IT IS EASILY SEEN THAT THE PROBLEMS OF ONE SMALL UTILITY SEEKING RELOCATION FINANCING CAN DELAY PROGRESS OF A MAJOR PROJECT.

IT IS ANTICIPATED THAT H.B. 2599 WILL HELP IN ALLEVIATING THIS PROBLEM. THE BILL LIMITS ADVANCEMENTS TO \$20,000 PER PROJECT FOR ANY SPECIFIC UTILITY. IT ALSO PROVIDES FOR REPAYMENT OF THE LOAN WITHIN 60 MONTHS AT THE SAME RATE OF INTEREST AS COURT JUDGMENTS. THIS INTEREST VARIES ACCORDING TO THE DISCOUNT RATE AS REPORTED BY THE WALL STREET JOURNAL. IT IS 4% ABOVE THAT REPORTED ON JULY 1. FOR THE PERIOD JULY 1, 1989, TO JUNE 30, 1990, THE RATE IS 11% PER ANNUM.

THE BILL ALSO DIRECTS THAT THE SECRETARY IS TO ADOPT REGULATIONS CONCERNING THE CRITERIA AND PROCEDURE TO BE FOLLOWED IN ITS IMPLEMENTATION.

THE SECRETARY URGES THE PASSAGE OF H.B. 2599. THANK YOU.