

Approved May 5, 1990

Date

MINUTES OF THE House COMMITTEE ON Transportation

The meeting was called to order by Rex Crowell at  
Chairperson

1:30 ~~a.m.~~/p.m. on March 21, 1990 in room 519-S of the Capitol.

All members were present ~~except~~:

Committee staff present:

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

Conferees appearing before the committee:

Mr. Jay Smith, Kansas Department of Transportation  
Ms. Mary Turkington, Kansas Motor Carriers Association  
Mr. Steve Richards, Yellow Freight Systems  
Mr. Mark Wettig, Kansas Department of Revenue  
Mr. Tom Whitaker, Kansas Motor Carriers Association

The meeting was called to order by Chairman Crowell, and the first order of business was a hearing on SB-580 concerning multi-state special permit fees.

Mr. Jay Smith, Kansas Department of Transportation, testified in support of SB-580. (See Attachment 1) *See 3/26 Attachment I*

Representative Gross asked if SB-580 is to be used as a vehicle to implement the use of triple trailers. Mr. Smith replied that he does not believe that SB-580 would allow a permit to be used for triple trailers.

Mrs. Mary Turkington, Kansas Motor Carriers Association, testified in support of SB-580.

The hearing on SB-580 ended.

The next order of business was a hearing on SB-695 concerning International Fuel Tax Agreement.

Ms. Mary Turkington, Kansas Motor Carriers Association, testified in support of SB-695. (See Attachment 2)

Mr. Steve Richards, Yellow Freight Systems, testified in support of SB-695. (*See Attachment 3*)

The hearing on SB-695 was concluded.

The next order of business was a hearing on SB-484 amending the Kansas Uniform Commercial Drivers' License Act.

Mr. Mark Wettig, Kansas Department of Revenue, testified in support of SB-484. (See Attachment ~~4~~)

Mr. Tom Whitaker, Kansas Motor Carriers Association, testified in support of SB-484. (See Attachment ~~4~~)

The hearing on SB-484 ended.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,  
room 519-S, Statehouse, at 1:30 ~~am~~/p.m. on March 21, 1990

Attention was turned to SB-481 concerning the increase of fees for duplicate registration of vehicles.

A motion was made by Representative Guldner that SB-481 be recommended favorable for passage. The motion was seconded by Representative Roenbaugh. Motion carried.

Representatives Dillon, Gregory and Gross requested to be recorded as voting "no".

The next bill taken up for Committee discussion and action was SB-482 modifying the definition of a salvage vehicle dealer.

Representative Shore gave the subcommittee report on SB-482.

A motion was made by Representative Shore that SB-482 be recommended favorable for passage. The motion was seconded by Representative Lawrence. Motion carried.

The next bill taken up for Committee discussion and action was SB-531 providing a transfer certificate for salvage vehicles.

Representative Shore gave the subcommittee report on SB-531.

A motion was made by Representative Shore that SB-531 be recommended favorable for passage. The motion was seconded by Representative Wilbert. Motion carried.

The next bill taken up for Committee discussion and action was SB-573 providing harvest permits for motor vehicles.

Representative Roenbaugh reported on the findings of the subcommittee, on SB-573.

A motion was made by Representative Dillon that the Pearl Harbor license tag be amended into SB-573.

Chairman Crowell ruled that the motion would not be germane to SB-573. A challenge to the Chair was made. A vote was taken on the question to sustain the Chair. The Chair was sustained on a 10-9 vote with the Chair voting "yes".

A motion was made by Representative Roenbaugh that SB-573 be recommended favorable for passage. The motion was seconded by Representative Guldner. Motion carried.

Representative Dillon asked if it would be germane to amend the Pearl Harbor license plate into SB-481. Chairman Crowell said it would be germane.

A motion was made by Representative Dillon that action on SB-481 be reconsidered. The motion was seconded by Representative Lucas. The Chair ruled that motion could not be made by Representative Dillon because he had not voted on the prevailing side of the motion to recommend SB-481 favorable for passage.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,  
room 519-S, Statehouse, at 1:30 ~~xm~~p.m. on March 21, 1990

A motion was made by Representative Lucas that action on SB-481 be reconsidered. The motion was seconded by Representative Shore. Motion carried.

A motion was made by Representative Dillon to amend the provisions providing a Pearl Harbor license tag into SB-481. The motion was seconded by Representative Gross. Motion carried.

A motion was made by Representative Freeman that the surviving spouse of a former prisoner of war would be allowed to keep the specialized POW license plate. The right to the license plate would terminate upon remarriage. The motion was seconded by Representative Dillon. Motion carried.

A motion was made by Representative Guldner that SB-481 be recommended as amended favorable for passage. The motion was seconded by Representative Wilbert. Motion carried.

The meeting was adjourned at 2:55 p.m.

  
Rex Crowell, Chairman



GUEST LIST

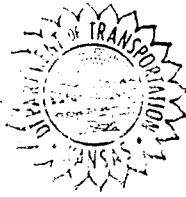
COMMITTEE: Transportation

DATE: 3-21-90

PLEASE PRINT

| NAME             | ADDRESS       | COMPANY/ORGANIZATION                          |
|------------------|---------------|---|
| Art Brown        | K.C. mo       | Ks. Lumber dealers                            |
| Roger W. BARR    | TOPEKA        | T.C.U.  |
| Steve Kearney    | TOPEKA        | CMSTA   |
| De Eisenhauer    | Topeka        | Ks. LP Gas Assn.                              |
| Mike Hogan       | Topeka        | Ks Automobile Dealers<br>Regulatory Coalition |
| Don Lindsey      | OSAWATOMIE    | UTV   |
| al mowen         | Topeka        | KCC   |
| JACK TIERCE      | Topeka        | KCC   |
| Alec Creighton   | Topeka        | KCC   |
| Jodie Klein      | Topeka        | Hein + Ebert                                  |
| Mark Wilby       | "             | KDOR  |
| John Smith       | "             | "   |
| Chuck Adams      | "             | KBA   |
| Jeff Smith       | TOPEKA        | KNLSI   |
| Ed DeSoigne      | Topeka        | Kansas Contractors Assoc.                     |
| Anne Smith       | Topeka        | Ks. Assoc. of Counties                        |
| Pat Hullell      | Topeka        | Kansas Railroad Assoc.                        |
| Dan Somerville   | TOPEKA        | KDOT  |
| Charles Nicolay  | Topeka        | KOMA  |
| Mike Beam        | TOPEKA        | Ks. Lumber Assn                               |
| STEVE RICHARDS   | OVERLAND PARK | YELLOW FREIGHT SYS.                           |
| Tom Whitaker     | Topeka        | Ks Motor Carriers Assn                        |
| Marye Turkington | Topeka        | Kansas Motor Carriers Assn.                   |
| Shirley Overport | TOPEKA        | Ks Motor Carriers Assn                        |
|                  |               |   |
|                  |               |   |

STATE OF KANSAS



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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*

MEMORANDUM TO:           House Transportation Committee  
FROM:                     Kansas Department of Transportation  
DATE:                     March 21, 1990  
REGARDING:               Senate Bill 580

The Kansas Department of Transportation requested Senate Bill 580 to permit its full participation in a pact between the eleven midwestern states which comprise the Mississippi Valley Conference of State Highway Officials whereby uniform regulations are adopted for permits issued by those states for overweight and oversized trucks. The Mississippi Valley Conference includes the states of Kansas, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin. The regulations themselves require no new statutory authorizations.

K. S. A. 8-1911, authorizes the Secretary of

Att. 1

Transportation with respect to highways under his jurisdiction and local authorities with respect to highways under their jurisdiction to, in their discretion, upon application in writing and good cause being shown therefore, issue a special permit in writing authorizing the applicant to operate a vehicle or combination of vehicles of a size or weight of vehicle or load exceeding the maximum specified in this act. KDOT seeks to amend this statute to allow for participation in the Mississippi Valley pact. The multi-state permitting is scheduled to be implemented by July, 1990.

Senate Bill 580 would enable the Secretary of Transportation to enter into contracts and agreements necessary to cooperate with other states' department of transportation for the purpose of issuing multi-state special permits. The Secretary would be authorized to collect and disburse fees for each special permit issued for travel through and upon the highways of any such state which is a participant in the program. The receipts and disbursements of the fees would be made to and from a "Highway Special Permit Fund" which is provided for in this bill.

Senate Bill 580 would necessitate the creation of a special revenue fund and accompanying receipt and

disbursement accounts within the State and KDOT accounting systems, and provides that the Secretary may adopt rules and regulations necessary to implement the provisions.



STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

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Presented to the House Transportation Committee;  
Rep. Rex Crowell, Chairman; Statehouse, Topeka,  
Wednesday, March 21, 1990.

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Supporting S.B. 695 relating to the  
International Fuel Tax Agreement.

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MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Mary E. Turkington, Executive Director of the Kansas Motor Carriers Association with offices in Topeka. I appear here this afternoon with Tom Whitaker, our Governmental Relations Director, representing our 1,525 member-firms and the highway transportation industry to express our support for Senate Bill 695.

In 1986, the Kansas Legislature amended the fuel use tax sections of the statutes to permit the Secretary of Revenue to enter into agreements with the appropriate authorities of other states for cooperative audit of interstate fuel users' records, reports or returns, or for exchange of information contained in any such records, reports or returns.

The International Fuel Tax Agreement (IFTA) is a response to this need. This agreement has been endorsed and is promoted by the National Governors' Association.



Kansas, we believe, should join IFTA. Entering into this agreement would benefit the Department of Revenue and the motor carrier industry through increased uniformity, control, simplification and compliance.

Kansas-based motor carriers would file their required fuel reports with their home state -- much as is required for the registration of interstate motor vehicles which operate in several jurisdictions.

Entering into the agreement would simplify the work of the Department, allowing for greater service and faster response time. Currently, the number of interstate accounts that the Department administers is increasing at the rate of 600 per quarter. Under IFTA, the Department estimates the total number of accounts that the Department administers would be reduced from the current 16,000 ultimately to 2,500 (the number of Kansas-based carriers). Out-of-state fuel audits would be the responsibility of the carrier's base state, thus reducing this expense for Kansas. All information would be listed on only one report. The mandated audit would increase compliance.

Currently, there are 15 state members -- Nebraska, Iowa, Missouri, Oklahoma, Colorado, Arizona, Utah, Wyoming, Idaho, Washington, South Dakota, North Dakota, Minnesota, Wisconsin and Indiana all are members of IFTA. Kansas needs to get in step.

We ask your favorable consideration of Senate Bill 695. There is a fiscal note indicating some \$71,500 would need to be accommodated from the Department's vehicle operating fund to implement IFTA.

We understand budget constraints but we highly recommend that this legislation be adopted to bring Kansas in step with its neighboring states. We believe the nominal investment will return substantial dividends to Kansas. We will be pleased to respond to any questions you may have.

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**KANSAS HOUSE TRANSPORTATION COMMITTEE**

**MARCH 21, 1990**

**SENATE BILL 695**

**INTERNATIONAL FUEL TAX AGREEMENT**

▲ MY NAME IS STEVE RICHARDS AND I AM MANAGER OF OPERATING TAX FOR YELLOW FREIGHT SYSTEM. IN THIS CAPACITY I AM RESPONSIBLE FOR STATE FUEL TAX COMPLIANCE. I AM HERE TODAY TO SUPPORT ADOPTION OF SENATE BILL 695, RELATING TO THE INTERNATIONAL FUEL TAX AGREEMENT.

▲ YELLOW FREIGHT SYSTEM IS AN INTERSTATE COMMON CARRIER, OPERATING IN ALL 48 STATES WITH OUR CORPORATE OFFICE LOCATED IN OVERLAND PARK, KANSAS. WE HAVE PARTICIPATED IN THE INTERNATIONAL FUEL TAX AGREEMENT, KNOWN AS IFTA, SINCE 1988, THROUGH THE STATE OF OKLAHOMA. WE ARE ALSO ACTIVELY INVOLVED IN NUMEROUS STATE MOTOR CARRIER TAXATION COMMITTEES AND THE DEVELOPMENT OF IFTA.

▲ UNDER THE MOTOR CARRIER ACT OF 1980, SECTION 19 IDENTIFIED THE ADMINISTRATIVE BURDENS PLACED UPON MOTOR CARRIERS AND CALLED FOR GREATER UNIFORMITY AND SIMPLIFICATION AMONG THE STATES. MOTOR FUEL TAXATION WAS ONE OF THESE BURDENSOME AREAS AND IFTA WAS DESIGNED TO PROVIDE THE NEEDED RELIEF.

▲ IFTA IS A MULTI-JURISDICTION AGREEMENT PROVIDING FOR UNIFORM ADMINISTRATION AND COLLECTION OF STATE FUEL USE TAX. UNDER IFTA, A CARRIER IS LICENSED BY HIS BASE STATE AND FILES ONE TAX RETURN FOR OPERATIONS IN ALL MEMBER STATES.

▲ THE CONCEPT OF BASE STATE TAX REPORTING, INITIALLY STARTED BY ARIZONA IN 1983, WAS MODELED AFTER THE SUCCESS OF THE INTERNATIONAL REGISTRATION PLAN, A BASE STATE VEHICLE REGISTRATION PLAN. SINCE ITS INCEPTION, IFTA HAS GAINED THE ENDORSEMENT OF THE FEDERAL HIGHWAY ADMINISTRATION, NATIONAL GOVERNORS ASSOCIATION, THE AMERICAN ASSOCIATION OF MOTOR VEHICLE ADMINISTRATORS AND THE MOTOR CARRIER INDUSTRY.

▲ IFTA CURRENTLY HAS 15 MEMBER STATES WITH MISSOURI, NEBRASKA, NORTH DAKOTA AND UTAH BEING THE MOST RECENT MEMBERS. (SEE MAP)

▲ IFTA PROVIDES BENEFITS TO THE MOTOR CARRIER INDUSTRY, LARGE AND SMALL, BY ISSUING ONLY ONE FUEL TAX LICENSE, WHICH ALLOWS AUTHORITY TO OPERATE IN ALL MEMBER STATES WITHOUT FURTHER CREDENTIALS. IFTA REQUIRES ONLY ONE COMBINED QUARTERLY TAX RETURN AND PAYMENT COVERING

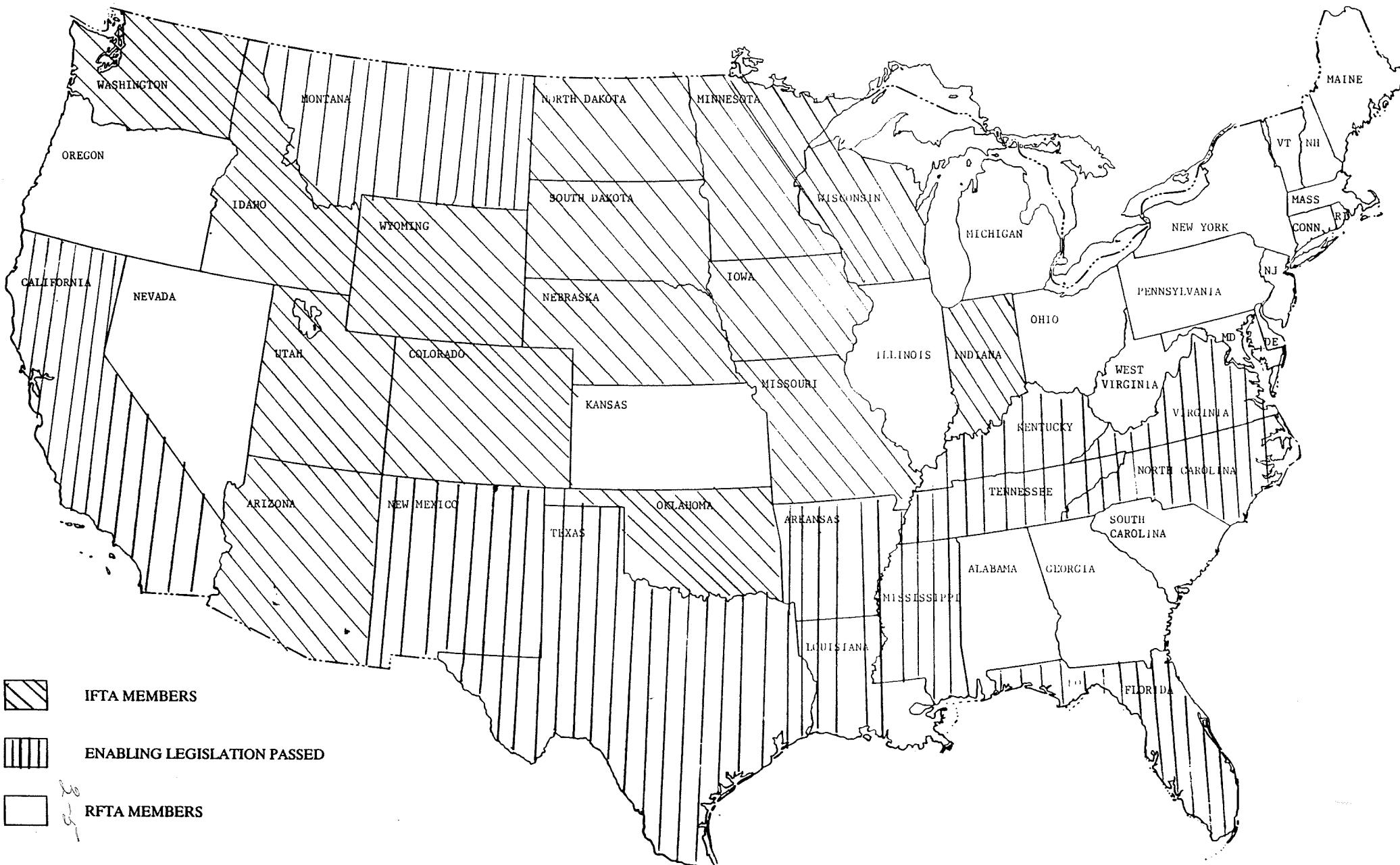


OPERATIONS IN ALL MEMBER STATES. THIS IS IN COMPARISON TO 15 INDIVIDUAL STATE LICENSES, TAX RETURNS AND RULES CURRENTLY REQUIRED. THIS IS ESPECIALLY HELPFUL TO THE SMALL KANSAS CARRIER WHO IS BASED IN KANSAS BUT DOES NOT HAVE THE STAFF TO FILE NUMEROUS TAX RETURNS AND KNOW ALL STATE RULES AND REGULATION.

▲ IFTA PROVIDES BENEFITS TO THE STATE AS WELL. FIRST AND FOREMOST, THERE IS NO REVENUE LOSS TO THE STATE AND STATES CONTINUE TO LEGISLATIVELY REGULATE THEIR OWN TAX RATES. SECOND, THE STATE WILL ONLY ADMINISTER KANSAS-BASED CARRIERS SINCE OUT-OF-STATE CARRIERS ARE ADMINISTERED BY OTHER MEMBER STATES. THIS SIGNIFICANTLY REDUCES THE NUMBER OF ACCOUNTS AND ADMINISTRATIVE COSTS. FINALLY, I BELIEVE IFTA PROVIDES THE STATES WITH EXPANDED AUDIT COVERAGE WHILE ELIMINATING COSTLY OUT OF STATE AUDITS. UNDER IFTA, KANSAS WILL AUDIT ONLY THEIR BASED CARRIERS.

▲ I ENCOURAGE ADOPTION OF SENATE BILL 695 BRINGING KANSAS AND THEIR MOTOR CARRIERS INTO THE INTERNATIONAL FUEL TAX AGREEMENT. I WANT TO THANK THIS COMMITTEE FOR ALLOWING ME THE OPPORTUNITY TO SPEAK HERE TODAY AND WILL BE HAPPY TO ANSWER ANY QUESTIONS.

# BASE STATE FUEL TAX AGREEMENT JANUARY 1, 1990



Wettig

MEMORANDUM

TO: The Honorable Rex Crowell, Chairman  
House Transportation Committee

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

DATE: March 14, 1990 *heard 3-21-90*

RE: Senate Bill 484

I appreciate the opportunity to appear before you today in support of Senate Bill 484, regarding the Kansas Uniform Commercial Driver License Act.

BACKGROUND

Senate Bill 484 makes several minor technical changes to the original legislation enacted to comply with the Federal Commercial Motor Vehicle Safety Act of 1986. Several amendments have also been requested by Kansas Motor Carrier's Association. The requested changes are as follows:

1. Amend K.S.A. 1989 Supp. 8-234b to clarify the original definition of commercial license classes to meet Federal specifications.
2. Amend K.S.A. 1989 Supp. 8-237, as amended by Section 23 of Chapter 38 of the 1989 Session Laws of Kansas, to provide for a class of license for an operator of a farm truck with a gross vehicle weight rating of more than 26,000 lbs. The amendment also provides for the driver of a Class "B" farm truck to be 16 years of age instead of the 18 year old age requirement for all vehicles described in Class "A" and "B".
3. Amend K.S.A. 1988 Supp. 8-24, as amended by Section 26 of Chapter 38 of the 1989 Session Laws of Kansas, K.S.A. 1989 Supp. 8-267 and 8-272, and add New Section 6 to provide for a \$2 increase in the commercial license fee and establish a "Truck

*Att. 1*

Driver Training Fund", to which the \$2 increase will be credited. The monies in this fund will be distributed to the community colleges, area vocational schools, and area vocational-technical schools in Kansas which offer courses in truck driver training for expenses directly attributable to the courses.

4. Amend K.S.A. 1989 Supp. 8-2,128 regarding the definition of a serious traffic violation. The Federal Highway Administration issued a Final Rule on CDL Disqualification Standards, which further defined a serious traffic violation. These amendments are requested to be in compliance with the Final Rule.
5. Amend K.S.A. 1989 Supp. 8-2,135 to change the airbrake restriction code to conform with AAMVAnet standards for CDL.
6. Amend K.S.A. 1989 Supp. 8-2,139 regarding the fee charged to obtain a driving record for a CDL license. The fee to obtain a CDL driving record was originally increased because it was thought that the process to obtain the record would go through the national data-base and an additional fee would be charged to the State. That has now been found to be incorrect, and the current process of providing a driving record will not change.
7. Amend K.S.A. 1989 Supp. 8-2106 to specify if the vehicle being driven was a commercial vehicle. The current statute states that the citation shall contain "the type of vehicle the person was driving". This verbage is to vague and needs to be further clarified.
8. New Section 11 references the appropriate statute regarding the format and information to be contained on the Complaint and Notice to Appear Citation for CDL purposes.



Mary Tom

STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

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Presented to the House Transportation Committee,  
Rep. Rex Crowell, Chairman; Statehouse, Topeka,  
Wednesday, March 14, 1990.

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Concerning Senate Bill 484 relating to  
technical amendments to the Kansas  
Uniform Commercial Drivers License Act.

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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 along with Mary E. Turkington, the Association's Executive Director; and Gary Davenport, Director of Safety and Membership Services for KMCA. We are here today representing our 1,525 member-firms and the highway transportation industry in support of Senate Bill No. 484 as it passed the Senate.

KMCA strongly supports a unified effort by the federal government, the states and the industry to establish a commercial drivers license system that assures that unqualified persons cannot obtain a commercial drivers license, and that unsafe commercial drivers who are engaging in unsafe driving practices can be identified through their license record and have their driving privilege suspended or revoked.



During the 1989 session of the Kansas Legislature, the legislation was adopted that enacted the Kansas Uniform Commercial Drivers License Act. We commend the Chairman and the Committee for your work on this important legislation. Senate Bill 484, as adopted by the Senate, would make technical corrections to the Uniform Commercial Drivers License Act that will make Kansas law consistent with the Federal Motor Carrier Safety Regulations governing the commercial drivers license.

Additionally, while reviewing the CDL legislation, we discovered that Kansas law did not provide for a class of driver's license for an operator of a farm truck with a gross vehicle weight rating of more than 26,000 lbs. Senate Bill 484, as amended, provides that a person operating a farm truck with a gross vehicle weight rating in excess of 26,000 lbs. would need to obtain a Class "B" driver's license. The bill also provides that the driver of a Class "B" farm truck may be 16 years of age instead of the 18-year-old requirement for all vehicles or combination of vehicles described in Class "A" and "B".

We also are supporting the increase in the application fee for a commercial drivers license from \$12.00 to \$14.00. The \$2.00 increase would be credited to the "truck driver training fund" and provide some financial assistance to Area Vocational Technical Schools and Community Colleges that provide approved truck driver training courses. The truck driver training courses would have to be approved by the State Board of Education before any funds would be released.



Current law provides that 37.5% of all monies received from Class "C" driver's licenses, 20% of all monies received from Class "A" and Class "B" driver's licenses, and 20% of all commercial driver's licenses be deposited into the "state safety fund"; and 20% of the monies received from Class "D" driver's licenses be deposited in the "motorcycle safety fund." The monies in the "state safety fund" and the "motorcycle safety fund" are used to provide funds for driver education courses. The amount of revenue generated for these funds would not change.

Our industry strongly supports the Commercial Drivers' License and also supports the creation of the "truck driver training fund" which would assist with the funding requirements of the Vocational Technical Schools and Community Colleges that provide quality truck driver training courses.

Thank you, Mr. Chairman and members of the Committee, for the opportunity to appear before you. We will be pleased to respond to any questions you may have.

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