

Approved 2-22-90
Date

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

The meeting was called to order by Sen. Bill Morris at
Chairperson

9:02 a.m./~~p.m.~~ on February 21, 1990 in room 254-E of the Capitol.

All members were present ~~except~~.

Committee staff present:

Ben Barrett, Legislative Research Department
Hank Avila, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Louise Cunningham, Committee Secretary

Conferees appearing before the committee:

Alan Alderson - Kansas County Treasurers Association
Jerry McCoy - Sedgwick County Treasurer
Betty McBride - Cherokee County Treasurer
Donna West - Lincoln County Treasurer
Thomas W. Skinner - Dept. of Revenue
Sen. Sheila Frahm
Tom Whitaker - Kansas Motor Carriers Association

Hearing on S.B. 660 - County treasurers, compensation.

Alan Alderson said a bill passed the legislature last year to increase the fee and the only remaining issue now is the amount of compensation that may be paid to the county treasurer from the special fund. The present compensation structure was passed in 1985 and since then many additional responsibilities have been given to the county treasurers. These additional responsibilities justify the increase in additional compensation. A number of country treasurers were present and they represented all sizes of counties. A copy of his statement is attached. (Attachment 1).

Jerry McCoy spoke as the representative of the largest counties. He spoke of the added responsibilities the county treasurers now have and said they deserve the fair and modest increase requested. A copy of his statement is attached. (Attachment 2).

Betty McBride spoke on behalf of the medium counties. She said the VIPS program has provided quality service and expedited the issuance of titles but many responsibilities and services, which had been provided by the State are now being done at the local level. She said pending legislation would place added responsibilities on their offices and this bill was fair and equitable for all size counties. A copy of her statement is attached. (Attachment 3).

Donna West represented the smallest counties. She said while her county was small the duties did not vary. She said the motor vehicle division is a constant adding, deleting and updating of laws, procedures, forms and services. She urged the passage of S.B. 660. A copy of her statement is attached. (Attachment 4).

Thomas W. Skinner said the Department of Revenue believes the additional compensation is justified and necessary. A copy of his statement is attached. (Attachment 5).

Action on S.B. 616 - Obscene bumper stickers.

There was some discussion on the F.C.C. seven forbidden words. The revisor said the words were not strictly forbidden and there were times during broadcast hours when they could be used. There was also some question of putting the words in the statutes.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES,
room 254-E Statehouse, at 9:02 a.m./~~p.m.~~ on February 21, 1990

A motion was made by Sen. Francisco that the committee reconsider the previous action on S.B. 616. Motion was seconded by Sen. Doyen. Motion carried.

Discussion on S.B. 573 - Providing a harvest permit for certain vehicles.

Bruce Kinzie said that problems had been worked out between the interested parties and he went through the changes that had been agreed upon.

Sen. Frahm said she felt this bill would now address the needs of custom cutters.

Tom Whitaker said they agree with the changes.

Mr. Kinzie was to bring in balloon copies of the bill for the next meeting. There was some question about the raise in fees and he was asked to bring in a comparison of what out-of-state cutters would pay in 1991 and what they are presently paying.

Meeting was adjourned at 9:40 a.m.

SENATE TRANSPORTATION AND UTILITIES COMMITTEE

Date 2-21-90 Place 254-E Time 9:02

GUEST LIST

NAME	ADDRESS	ORGANIZATION
PAUL W. MATTHEWS	OKLA CITY	HIGHWAY USERS FEDERATION
ALAN ANDERSON	TOPEKA	KS COUNTY TREAS. ASS'N
JERRY McCoy	WICHITA	SENG. Co. TREASURER
DONNA L. WEST	LINCOLN	LINCOLN COUNTY TREASURER
NANCY WEEKS	HASKELL	HASKELL COUNTY TREASURER
Nancy Hempen	Douglas	Douglas County Treasurer
Betty McBride	Cherokee	Cherokee County Treasurer
Jim Reber	Harvey	Harvey County Treasurer
DONNA SHELITE	PRATT	PRATT COUNTY TREASURER
PATTY McDONALD	ARKANSAS CITY	COWLEY COUNTY TREASURER
Mary J. Gadesic	Wyandotte	County Treasurer
Don A. Jinks	Sumner	County Treasurer
Roger W BARR	TOPEKA	T.C.U.
Tom SKINNER	DDR	DMV
Kevin Allen	Topoka	KMEDA
Al. Maxwell	1 11	KCC

ALDERSON, ALDERSON, MONTGOMERY & NEWBERY

ATTORNEYS AT LAW

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DANIEL B. BAILEY

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(913) 232-0753

FAX:

(913) 232-1866

MEMORANDUM

TO: Senate Committee on Transportation and Utilities
FROM: Alan F. Alderson, Attorney for the Kansas County
Treasurers Association
RE: Senate Bill No. 660
DATE: February 21, 1990

I am appearing on behalf of the Kansas County Treasurers Association today to request your favorable consideration of legislation similar to that you already approved last session. 1989 Senate Bill No. 129 not only addressed the county treasurer compensation issue, it proposed to increase the service fee deposited in the special fund from \$1.00 to \$3.00.

Senate Bill No. 129 was killed on the floor of the House on the final day of the regular session, but a bill reviving the fee increase issue finally passed and has provided an increase in the service fee of \$1.25. The service fee now equals \$2.25 instead of the \$1.00 per registration previously provided or the \$3.00 previously requested.

In any event, the fee increase is now in place and the only remaining issue has no direct fiscal impact to the State or its citizens. The only issue is the amount of compensation that may be paid to the county treasurer from the special fund.

Under current law, county treasurers are entitled to \$360.00 per 1,000 vehicle registrations, but not exceeding \$3,600.00 per calendar year. Under Senate Bill No. 660, the formula would be changed so that the sum of \$60.00 per 100 registrations would be payable for the first 5,000 registrations; the sum of \$45.00 per 100 registrations would be payable for the next 5,000 registrations; and the sum of \$2.00 per 100 registrations would be payable for all registrations thereafter. The cap payable to any treasurer from this fund would be \$9,800.00 annually.

The present compensation structure was passed in 1985. Many additional responsibilities have been given to the County Treasurers under VIPS since that time. These additional responsibilities alone justify the increase in additional compensation.

With me today are three County Treasurers who will provide more specific information concerning their responsibilities and entitlement to this extra compensation by County Treasurers in counties of various sizes. Jerry McCoy is the County Treasurer of Sedgwick County; Betty McBride is the County Treasurer of Cherokee County; and Donna West is the County Treasurer of Lincoln County. If their testimony does not specifically answer any questions you may have, please feel free to request more specific information from them.

ATT. 1

I would also be happy to answer any questions you may have. On behalf of T&U the Kansas County Treasurers Association, I would urge your support for the 2-21-90 passage of Senate Bill No. 660.



SEDGWICK COUNTY, KANSAS

TREASURER

Jerry McCoy

SUITE 107

COUNTY COURTHOUSE, WICHITA, KANSAS

FAX (316) 268-7113

DISTRIBUTION AND BONDS 268-7561

CASHIER 268-7345

MAILING: P.O. BOX 2909, WICHITA, KANSAS 67201

PERSONAL PROPERTY TAXES/VEHICLE REFUNDS 268-7651

REAL ESTATE TAXES 268-7414

February 21, 1990

Mr. Chairman and Members of the Senate Transportation
and Utilities Committee:

Although Senate Bill No. 660 has the full support of the Kansas
County Treasurers Association, I am here today representing the
treasurers from the largest counties in Kansas.

This bill will provide a more equitable distribution of compensation
to every Kansas county treasurer in recognition of the additional
responsibilities required due to their statutory designation as
local administrators of the State vehicle registration system.

In 1987, the Department of Revenue, through the Division of
Vehicles, implemented a state-wide computerized vehicle registration
system (VIPS) with all equipment and programming provided by the
State. Although VIPS was originally intended to provide quicker and
more accurate service to registration applicants, it has only
partially achieved this goal. Meanwhile, much of the work
previously done at the Division level has been shifted to the county
treasurer who have incurred increased expenses and manpower
requirements. In Sedgwick County alone, a 25% increase in personnel
has been needed to implement and support these changes.

On-going problems with the computer have increased workloads by now
requiring double data entry when the computer or communication lines
are inoperable. Programming glitches and lack of support for those
counties previously on mainframes has resulted in constant
monitoring of VIPS and an extraordinary commitment of management
resources to keep the system operational.

New legislation effective January 1, 1990 requires County Treasurers
to screen for any delinquent personal property tax liability before
registering a vehicle. Since VIPS is unable to support this
requirement, a separate system must be managed which utilizes
additional resources. In Sedgwick County alone, this requires
matching 148,000 delinquent accounts with over 500,000 yearly
transactions.

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As you can see, county treasurers spend a large percentage of their time administering a vehicle registration system over which they have little control of regulations promulgated in Topeka. But this operation is one of the most highly visible in county government and can easily generate the most complaints no matter how well the tag office is managed.

County Treasurers do an admirable job of providing service to the public while administering very complicated and difficult regulations. We deserve the fair and modest increase requested. Each and every county treasurer will still remain a bargain to the State of Kansas as the administrator of the county tag office. Please support Senate Bill No. 660.

Betty McBride, Treasurer

CHEROKEE COUNTY, KANSAS



COLUMBUS, KANSAS 66725

TO: THE SENATE TRANSPORTATION COMMITTEE
FROM: BETTY MCBRIDE CHEROKEE COUNTY TREASURER
RE: SENATE BILL #660

Mr. Chairman, members of the Transportation Committee, I am Betty McBride Cherokee County Treasurer appearing on behalf of the Kansas County Treasurer's Association. I want to thank you for the opportunity to appear before you today in support of Senate Bill #660.

If passed Senate Bill #660 would provide an increase in the motor vehicle compensation which County Treasurer's throughout the State now receive for administering and serving as Motor Vehicle agents, in County Treasurer's offices for the State of Kansas. In the past the Treasurer's compensation has always been addressed in legislation which provides funding for the operations of these offices, however when funding legislation was passed last year Treasurer's compensation was not addressed. Since the funding is in place passage of Senate Bill #660 would require no additional cost to either the State or local taxpayers.

The last increase in compensation to County Treasurer's was in 1986. Since that time VIPS (Vehicle Information Processing System) has been implemented in all Treasurer's offices throughout the State. This program has placed all motor vehicle registration offices at the local level, on direct line with the State of Kansas. This system has provided quality service and expedited the issuance of titles to persons registering motor vehicles. However many responsibilities and services, which had been provided by the State have been reversed and are now handled at the local level. One example is refunds, issued for sold

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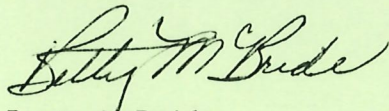
or traded vehicles. These refunds were issued previously by the State. They are now handled and issued directly at the local level. Since past legislation prorated tag fees many refunds are issued daily. Special tags, handicapped placards and secured interest title applications which were handled through the State, now enter the system through the Treasurer's offices. Pending legislation if passed, would require lienholder copies of title applications be sent to lending institutions holding liens on vehicles. This would be an additional duty for County Treasurer's to administer. I mention a few of these items only to provide you insight, that although the VIPS program is a great advancement and is working well, it has not removed the day to day responsibilities in County Treasurer's offices.

Senate Bill #660 also changes the formula on which compensation will be based. Although different, it has the same effect as the current formula used. The change has been made to provide a more fair and equitable share of compensation for all size counties, and has the support of the Kansas County Treasurer's Association.

On behalf of the County Treasurer's of Kansas, I ask your favorable consideration for passage of Senate Bill #660.

I will stand for any questions you might have at this time.

Respectfully Submitted



Betty McBride
Cherokee County Treasurer

February 21, 1990

Mr. Chairman and Members of the Senate Transportation and Utilities Committee,

I am Donna West, Lincoln County Treasurer, population 3700 representing the smaller counties in our state on behalf of Senate Bill No. 660.

Though our size cannot compare to Segwick, Shawnee, Johnson and many others, our responsibilities and duties as set forth by rules and regulations of the Department of Revenue and Kansas law do not vary. In counties such as Lincoln, our motor vehicle department is not set apart from functions performed in the county treasurer's office. Our residents are served by the same employees for all their tax and/or motor vehicle concerns.

The Vehicle Information Processing System known as VIPS has demanded more time, supervision and knowledge for each treasurer. Besides the many services we are providing on behalf of the state, we now process vehicle tag refunds. Small counties average 5 refunds on a daily basis whereas larger counties are receiving 50 to 70 refund applications which has required an additional employee. Proposed legislation, if passed, will require our offices to issue a lienholder's copy of the title application to all lending institutions. The motor vehicle division is a constant adding, deleting and updating of laws, procedures, forms and services.

This senate bill as presented to the Kansas County Treasurers' Association has received full support from its members because it is fair, equitable and deserving. Neither the state nor taxpayer will be assessed any additional costs due to the fact that the funds to support this compensation are now being retained on the county level.

Your consideration to support this bill would be appreciated.

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KANSAS DEPARTMENT OF REVENUE

Division of Vehicles

Robert B. Docking State Office Building
Topeka, Kansas 66626-0001

February 21, 1990

Senator Bill Morris, Chairman
Committee on Transportation and Utilities

Dear Senator Morris:

The Kansas Department of Revenue, Division of Vehicles, supports Senate Bill No. 660, concerning increases of compensation paid to the Kansas County Treasurers.

Due to the additional costs of maintaining an efficient office and yearly increases of duties and responsibilities delegated to the County Treasurers in the administration of motor vehicle duties, this department believes the additional compensation is justified and necessary.

Thank you for your consideration on this issue.

Sincerely,

Thomas W. Skinner
Director
Division of Vehicles

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