

Approved

3-14-90

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 27, 1990 in room 254-E of the Capitol.

~~All members were present except:~~ Members present:

Senators Morris, Hayden, Kanan, F. Kerr, Martin, Rock, Sallee, Thiessen and Vidricksen.

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:

Sen. Paul Burke  
Pam Somerville, Department of Transportation  
Mary Turkington, Kansas Motor Carriers Association

Hearing on S.B. 696 - Designating Interstate highway 635 as the Harry Darby memorial highway.

Sen. Burke said the State honors some of its citizens by designating highways as memorial highways. Harry Darby was a U.S. Senator who was very active in community activities and Wyandotte County wanted to show its honor and respect for him by requesting this bill.

Pam Somerville said this bill had a fiscal note of \$4,300. A copy of her statement is attached. (Attachment 1). It was noted that gifts and donations could be accepted to aid in obtaining and installing suitable highway signs.

A motion was made by Sen. Kanan to recommend S.B. 696 favorably for passage. Motion was seconded by Sen. Thiessen. Motion carried.

Hearing on S.B. 695 - Concerning motor fuels; relating to the international fuel tax agreement.

Mary Turkington said this bill would 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. This would benefit the Department of Revenue and the motor carrier industry through increased uniformity, control, simplification and compliance. A copy of her statement is attached. (Attachment 2).

Warren Hoemann said one of the barriers to interstate commerce was fuel tax reporting. Every state did it differently. Under this bill the states would have the same standards and the carriers would have to file in only one state. It would be of special benefit to small carriers as they would have to file less reports. This has been endorsed by the highway administration, trucking associations and every major operating company in the United States. It makes compliance easier. He distributed copies of a map which showed the states having International Fuel Tax Agreement members. A copy of this map is attached. (Attachment 3).

A motion was made by Sen. Hayden to recommend S.B. 695 favorably for passage. Motion was seconded by Sen. Martin.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES,  
room 254-E, Statehouse, at 9:02 a.m./~~p.m.~~ on February 27, 1990

Sen. Sallee said he had some problem with the bill because he felt that perhaps it would cause a problem with some truckers getting temporary permits that would be cheaper than IFTA permits and they would have an unfair advantage along the state border. He wanted to be sure it did not take jobs away from Kansans. Mary Turkington said S.B. 695 should have no effect on that problem.

Sen. Martin withdrew his second to the motion.

There was some discussion on the bill and Sen. Martin seconded the motion to recommend S.B. 696 favorably for passage. Motion carried.

Action on S.B. 353 - Requiring thumbprint on drivers' license.

This bill had been requested by a constituent but it would be costly. A motion was made by Sen. Hayden to recommend S.B. 353 adversely. Motion was seconded by Sen. Sallee. Motion carried.

On a motion from Sen. Sallee and a second from Sen. Thiessen the Minutes of February 22, 1990 were approved. Motion carried.

Meeting was adjourned at 9:45 a.m.

SENATE TRANSPORTATION AND UTILITIES COMMITTEE

Date 2-29 Place 254-E Time 9:02

GUEST LIST

NAME

ADDRESS

ORGANIZATION

Tom Whitaker	Topeka	Ks Motor Carriers Assn
Pam Somerville	TOPEKA	KIDOT
Warren Hemann	Overland Park	Yellow Freight System
MARY E. TURKINGTON	Topeka	Kansas Motor Carriers Assn
Dedra Chasing	Topeka	Dept. of Rev.
Mark White	"	"



STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

-----

Presented to the Senate Transportation & Utilities  
Committee; Senator Bill Morris, Chairman; Statehouse,  
Topeka, Tuesday, February 27, 1990.

-----

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

-----

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 morning 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.

ATT. 2  
T&U  
2-27-90

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 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.

#####

# BASE STATE FUEL TAX AGREEMENT JANUARY 1, 1990

ATT. 3  
T&U  
2-27-90

