

Approved 3-25-92
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 March 19, 1992 in room 254-E of the Capitol.

~~All members were present except~~ Members present:
Senators Morris, Doyen, Brady, Hayden, Kanan, F. Kerr, Martin, Rock, Sallee and Thiessen.

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:

Rebecca Rice, Legislative Counsel for Amoco Production Company
Rep. Don Rezac
Betty McBride, Division of Motor Vehicles, Department of Revenue

Hearing and Action on H.B. 2900 - Jurisdiction of corporation commission over compressed natural gas.

Rebecca Rice, Amoco Production Company, said that this bill would clarify that the State Corporation Commission does not have jurisdiction over the retailing of compressed natural gas as a motor fuel to the general public. Amoco had recently installed a retail pump for compressed natural gas in Topeka. (Attachment 1).

A motion was made by Sen. Sallee to recommend H.B. 2900 favorably for passage and recommended that it be placed on the Consent Calendar. Motion was seconded by Sen. Hayden. Motion carried.

Hearing and Action on H.B. 2634 - Obstruction of highways by trains.

Rep. Don Rezac said that obstruction of highways by railroad trains has been a problem in his district. This bill is a compromise between the Kansas Railroad Association and the State Corporation Commission.

A motion was made by Sen. Martin to recommend H.B. 2634 favorably for passage. Motion was seconded by Sen. Brady. Motion carried.

Hearing on H.B. 2823 - Certificate of title for repossessed vehicles.

Betty McBride, Division of Vehicles, said this bill was requested and was intended to stop lenders from obtaining Kansas repossession titles on vehicles which have never been in Kansas and are titled and registered in another state. This allows the financial institution to by-pass the laws in the state in which the vehicle is legally titled, and eliminates the VIN inspection because the vehicle will not return to Kansas. The Kansas Bankers Association has worked with the Division of Vehicles to address this problem and support this bill. (Attachment 2).

Jim Maag, Kansas Bankers Association, said they support this bill in its amended form.

Hearing and Action on H.B. 2886 - Vehicle dealers, display of vehicles at a temporary location.

Betty McBride, Division of Vehicles, said they requested the bill because, in the past, the practice of displaying a vehicle at an off-site location has been permitted, although no statutory authority exists to allow such practice. This would include displays at state and county fairs, fairground exhibitions and shopping malls. (Attachment 3).

(Over)

A motion was made by Sen. Martin to recommend H.B. 2886 favorably for passage. Motion was seconded by Sen. Brady. Motion carried.

The revisor told the committee that H.B. 2765, H.B. 2823, and H.B. 2482 should be revised into one bill because they amend the same section and they conflict with each other. A motion was made by Sen. Hayden to amend the three bills into one bill under H.B. 2765. Motion was seconded by Sen. Sallee. Motion carried.

A motion was made by Sen. Hayden to recommend H.B. 2765 as amended, favorably for passage. Motion was seconded by Sen. Thiessen. Motion carried.

Meeting was adjourned at 10:00 a.m. Next meeting on March 24, 1992.

SENATE TRANSPORTATION AND UTILITIES COMMITTEE

Date 3-19-92 Place 254-E Time 9:02

GUEST LIST

NAME ADDRESS ORGANIZATION

NAME	ADDRESS	ORGANIZATION
DON CARLILE	TOPEKA	KCC
TOM DAY	TOPEKA	KCC
Vernon Wenger	"	KCC
Rick Scherbe	TOPEKA	KDOR
Betty McBride	TOPEKA	KDOR
Rep Don Ryan	Emmitt TOPEKA	State by
Jacque Oates	TOPEKA	KIADA
Lee Ewenbauer	TOPEKA	KLPGA
Donald Turner	Kansas city	
Jim Macy	TOPEKA	KOBA
Justin Olinstead	TOPEKA	Intern Senlock
Tom Whitaker	TOPEKA	Ks Motor Carriers Assn.
PAT HUBBELL	TOPEKA	KS. RR. ASSN.
Howard Ferguson	KC	U.T.U.
J. C. Keele	Paola	R.H.E.
Roger W. Van	T.C.U. - TOPEKA	N.A.R.V.R.E

Bob Toffen

KS Contractors
Assoc

TESTIMONY PRESENTED TO THE
SENATE TRANSPORTATION AND UTILITIES COMMITTEE
re: HB 2900

March 19, 1992

by: Rebecca Rice
Legislative Counsel for Amoco Production Company

Thank you Mr. Chairman and members of the committee. I appear before you today on behalf of Amoco Production Company, who requested that HB 2900 be introduced.

As most of you are aware, Amoco Corporation installed a retail pump for compressed natural gas at 6th and Quincy in Topeka. This legislation was requested for clarification that the Kansas Corporation Commission does not have, nor want, jurisdiction over the retailing of compressed natural gas as a motor fuel to the general public. Although the KCC has been very helpful in our efforts to make this motor fuel available to the public, Amoco would prefer to codify that the KCC should not regulate the sale of this product to the general public.

To have a compressed natural gas retail pump in the state of Kansas is a very exciting development. As the country moves forward in attempting to find alternative cleaner burning fuels, the importance of "big oil" in this area is highlighted. The willingness of Amoco to put forth the large amount of capital necessary to make this retail outlet a reality is a sign of faith, by Amoco, in the state of Kansas and a willingness to invest in our state.

Thank you, Mr. Chairman.

STATE OF KANSAS

Betty McBride, Director
Robert B. Docking State Office Building
915 S.W. Harrison St.
Topeka, Kansas 66626-0001



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Department of Revenue
Division of Vehicles

To: Senate Committee on Transportation and Utilities

From: Betty McBride, Director of the Division of Vehicles
Kansas Department of Revenue

Date: March 18, 1992

Subject: **House Bill 2823**

Mr. Chairman, Members of the Committee,

My name is Betty McBride. I am the Director of the Division of Vehicles, and I appear before you on behalf of the Department of Revenue in support of House Bill 2823.

House Bill 2823 was requested by the Division of Vehicles to address the problem of vehicles being repossessed in Kansas by an out-of-state financial institution. Currently, an out-of-state lienholder can have an agent or title service in Kansas process a repossession title in Kansas, when in fact, Kansas has no financial interest in the vehicle. This allows the financial institution to by-pass the laws in the state in which the vehicle is legally titled, and eliminates the VIN inspection because the vehicle will not return to Kansas. This could create an opportunity for an out-of state financial institution to title stolen vehicles or to by-pass the normal chain of ownership.

House Bill 2823, as amended, will allow all Kansas financial institutions or a Kansas lienholder, to obtain a Kansas repossession title if the vehicle was financed originally by a financial institution chartered in the state of Kansas or when a financial institution chartered in Kansas purchases a pool of motor vehicle loans from the resolution trust corporation or a federal regulatory agency; but will eliminate the practice of repossession by those lienholders which have no interest in the State of Kansas.

Mr. James Maag, President of the Kansas Bankers Association and the Department of Revenue, Division of Vehicles, have worked together in addressing the problem, and have cooperatively agreed to support passage of House Bill 2823.

I request this committee's favorable consideration of passage of House Bill 2823. I'll be happy to stand for questions at this time.

Att. 2
T&U
3-19-92

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Department of Revenue
Division of Vehicles

To: Senate Committee on Transportation and Utilities
From: Betty McBride, Director Division of Vehicles
Kansas Department of Revenue
Date: March 16, 1992
Subject: **House Bill 2886**

Mr. Chairman, Members of the Committee,

My name is Betty McBride. I am the Director of the Kansas Division of Vehicles, and I appear before you on behalf of the Kansas Department of Revenue regarding House Bill 2886.

This bill will allow the Director the authority to issue a permit for new franchised vehicle dealers to display their vehicles at a location other than their dealership. The locations include state and county fairs, fairground exhibitions, and shopping malls. I know this has been done in the past, sometimes with the Directors approval and sometimes without, but there is no statutory authority to allow this practice to continue.

In House Bill 2886, a vehicle dealer may only **display** vehicles at an off-site location, they could not write a sales contract or otherwise engage in the act of actually selling the vehicle. Dealers who violate the provisions of this act are subject to suspension, deny renewal, or revocation of their dealers license.

This bill was amended to require dealers to pay a \$15 fee for each request to display vehicles

Dealers may apply for as many permits as they wish, subject to approval of the Director. Each permit authorizes a dealer to display vehicles for a period of time not to exceed 15 consecutive days, unless otherwise authorized by the Director of Vehicles.

I ask that this committee pass favorably on this measure.

I'll be happy to answer any questions you might have.

Att. 3
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3-19-92