

Approved: 2/6/96
Date

MINUTES OF THE HOUSE COMMITTEE ON TRANSPORTATION.

The meeting was called to order by Chairperson Kenneth King at 1:30 p.m. on January 30, 1996 in Room 526-S of the Capitol.

All members were present except:

Representative Delbert Crabb, excused
Representative Tony Powell, excused

Committee staff present: Hank Avila, Legislative Research Department
Tom Severn, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Ellie Luthye, Committee Secretary

Conferees appearing before the committee:

Representative Carol Beggs
Keith Harris, Kansas Motorcycle Industry Council, Inc.
Rich Davis, Kansas Motorcycle Industry Council, Inc.

Others attending: See attached list

HB 2667 - all-terrain vehicles, regulation thereof

Hearings opened. The Chair called on staff to give an overview of the bill. The main objective of this bill is to provide a means of identifying these all-terrain vehicles by titling them and to make sure the sales tax is paid.

Representative Beggs stated the motivation for this legislation came from Kansas dealers who were being subjected to a disadvantage because of the inability to offer an agriculture sales tax exemption on all-terrain vehicles such as the Nebraska dealers were offering. He called on Keith Harris, Vice-President of the Kansas Motorcycle Industry Council, Inc., to explain their position more fully.

Mr. Harris stated he supported **HB 2667** for the following reasons: 1) improved recovery of stolen units by having the units titled 2) by titling ATV's could be used as security for loans 3) Kansas customers couldn't evade Kansas tax liabilities by going out of state 4) registration would assist law enforcement 5) titling would protect dealers when taking in trades 6) titling would make insuring easier. He concluded Kansas dealers need the stability and integrity which this bill would accomplish. (Attachment 1)

Rich Davis, Kansas Motorcycle Industry Council, stood in support of **HB 2667**.

Following questions from the committee the Chair closed hearings on **HB 2667**.

HB 2678 - repeal K.S.A. 74-7257, KDOT, secretary of KDOT, sunset law

The Chair opened **HB 2678** for discussion and final action and called on staff for an overview. This bill is clean up legislation and repeals a section of the Kansas Sunset Law which was omitted in 1992.

Representative Dillon made a motion to place **HB 2678** on the Consent Calendar, seconded by Representative Pauls and the motion carried.

HB 2680 - land surveying services, procedure

The Chair opened **HB 2680** for discussion and final action. Staff provided an overview of this bill which would allow KDOT to negotiate contracts for engineering services.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TRANSPORTATION, Room 526-S Statehouse, at 1:30 p.m. on January 30, 1996.

Following discussion Representative Donovan made a motion to pass **HB 2680** favorably, seconded by Representative Shore and the motion carried.

HB 2151 - vehicles, major component parts, not requiring copy of title

The Chair opened **HB 2151** for discussion and final action. The Chair called upon staff to give a briefing of this bill.

The Committee discussed the balloon which had been presented during the hearings which would require the original title be presented only on the last sale of the vehicle and would allow the vehicle identification number to be used when selling major component parts. Following discussion, and the voicing of some concerns with this bill, the Chair appointed a Sub-Committee composed of Representative Myers, Chair, Representative Pauls and Representative Presta to study **HB 2151** and report back to the full committee.

The Highway Patrol presented written testimony regarding **HB 2151**. (Attachment 2)

The minutes of the Transportation Committee for January 23rd, January 24th and January 25th were presented for approval or corrections. Representative Dillon made a motion to accept the minutes as written, seconded by Representative Correll and the motion carried.

Chairman King adjourned the meeting at 2:30 p.m.

The next meeting is scheduled for January 31, 1996.

Mr. Chairman, Members of The Transportation Committee:

Thank you for the opportunity to comment to you in regard to House Bill 2667. My name is Keith Harris. I am the Vice-President of the Kansas Motorcycle Industry Council, Inc. A non profit organization representing the motorcycle and all terrain vehicle dealers of Kansas. I am also owner and CEO of two major licensed dealerships in Wichita, KS.

I am here to ask for your support of HB 2667 for the following reasons:

1. Improved recovery of stolen units. By having units titled, the paper trail will make location and recovery of stolen vehicles much easier.
2. Easier banking. By titling, ATVs can be used as security for loans at time of purchase.
3. Keep business in Kansas. Kansas customers won't be able to evade Kansas tax liabilities by going out of state to make vehicle purchases.
4. Aid law enforcement. Registration with state assists law enforcement in identifying law breakers.
5. Titling will protect dealers when taking in trades.
6. Insurors will usually not cover untitled vehicles. Titling would improve this.

Nearly two-thirds of the states currently have titling and registration requirements, in place. We would ask that Kansas join that majority.

The ATV population is growing by leaps and bounds in Kansas as in every other state. Kansas dealers need the stability and integrity which this bill will accomplish.

Thank you for your time. I would respond to any questions.

*House Transportation Committee
January 30, 1996
Attachment 1*

KANSAS HIGHWAY PATROL

Service—Courtesy—Protection



Bill Graves
Governor

Col. Lonnie R. McCollum
Superintendent

January 25, 1996

Representative Kenneth King
Chairman, House Transportation Committee
Room 431-N
State Capitol
Topeka, KS

Dear Representative King:


In response to your request of January 23rd, the following information is provided regarding 1996 House Bill 2151 and the substitute balloon that is before your committee:

- HB 2151 deletes a requirement that salvage vehicle dealers provide a copy of the vehicle title whenever a major component part of the vehicle is sold.
- The Kansas Highway Patrol feels that the current language does not present an undue burden on salvage dealers and should be maintained.
- Providing a sales receipt which includes a vehicle identification number (VIN) is not acceptable. It lends itself to recording errors and will inhibit the ability to determine the origin of major component parts and increase the possibility of stolen parts being sold to unsuspecting consumers.
- Current law and the proposed balloon of the bill both require salvage dealers to retain the certificate of title until the vehicle has been disposed of or sold. Providing a copy of that title with a sales receipt assists law enforcement, salvage dealers and will protect consumers.

Hopefully, this information will address the committee's questions.

Sincerely,

LONNIE R. MCCOLLUM
Superintendent


TERRY L. MAPLE, Sergeant
Public & Governmental Affairs

TLM:pc
cc: Colonel McCollum
Captain Marten
Major Brownlee

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*House Transportation Committee
January 30, 1996
Attachment 2*