

Approved: 3/5/96
Date

MINUTES OF THE HOUSE COMMITTEE ON TRANSPORTATION.

The meeting was called to order by Vice-Chairperson Donald Myers at 1:30 p.m. on February 20, 1996 in Room 526-S of the Capitol.

All members were present except:

Representative Delbert Crabb, excused
Representative Vaughn Flora, excused
Representative Terry Presta, 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
Jeff Gayer, Wildlife and Parks
Betty McBride, Department of Revenue

Others attending: See attached list

HB 3011 - requiring certificates of title for vessels

The Vice-Chair opened hearings and called on staff to review the bill. Staff explained this was strictly a titling bill and pointed to some key sections of the bill.

Representative Beggs was the first proponent to speak on **HB 3011**. He distributed information showing how other states process the titling of boats. (Attachment 1) He stated with the increase in the number of water crafts, it is difficult to maintain adequate safeguards to have a confirmable record of ownership when the equipment begins to change hands. It was his feeling that titling was critical to the integrity of the people in the industry, as far as marketing, to ensure they have a clear title.

The next proponent was Jeff Gayer, Wildlife and Parks. He stated those vessels with a valid certificate of number issued in accordance with KSA 32-1110 would be exempt from titling until any interest in the vessel is transferred or the certificate of number is renewed. After January 1, 1997 each person making application for a certificate of number (new or renewals) to the Department would be required to also submit proof that a certificate of title has been issued for the vessel. He told the committee vessel titling was being promoted nation-wide through the Department of Transportation and the U.S. Coast Guard to address identification and recovery of stolen vessels, to deter vessel theft and to reduce fraud. (Attachment 2)

Betty McBride, Department of Revenue, spoke next on **HB 3011**. She stated it this bill was enacted a new program would need to be designed within the Vehicle Information Processing System specifically for watercraft. She estimated the cost to implement this program could exceed \$250,000. She listed several concerns her Department had regarding implementation of this legislation and asked, before consideration of passage, the issue be studied further and the answers to their concerns be identified. (Attachment 3)

Following questions from the committee the Vice-Chair closed hearings on **HB 3011**.

The minutes of the meetings of February 13th, 14th and 15th were presented for approval or corrections. Representative Correll made a motion to accept the minutes as presented, seconded by Representative Humerickhouse and the motion carried.

The meeting was adjourned at 2:15 p.m.

The next meeting is scheduled for February 21, 1996.

HOUSE TRANSPORTATION COMMITTEE GUEST LIST

DATE: February 20, 1996

NAME	REPRESENTING
DARRELL MONTEI	KDWP
JEFF GAYER	KDWP
JACK GUMB	COAST GUARD AUXILIARY
LINA BROWN	Peterson Affairs group
Betty McBride	KDOR - DofV
Rick Scheibe	KDOR DofV
Tom Whitaker	Kc Motor Carriers Assn
Danielle Noe	KCUA

BOAT TITLING CHART

DEPT. TO CONTACT	TITLES LIMITED TO:	TITLE AFFECT DATE	TITLE FEE	SPEC. TITLE CERT.	MSO REQ. TO TITLE	HULL I.D. # INSPECTION REQUIRED
CALIFORNIA Dept. of Mtr. Veh. (916) 657-6560	All motorized and undocumented, all boats over 8'. All others optional.	1962	\$37.00 non-resident applications. \$9.00 all others.	Yes	No	No
WASHINGTON, DC DC Harbor Police (202) 727-4582	All watercraft.	9/28/79	\$2.00	Yes	Yes	Yes, when appl. Harbor Ofcr. will issue 12-digit #. If no inspec., HIN accepted from title or registration.
FLORIDA Dept. of Highway Safety & M.V. (904) 488-1195	All vessels, except non-motorized under 16' & documented vessels.	1/1/68	\$5.25, plus \$4.00 if previously out-of-state.	Yes	Yes	Yes, Florida Marine Patrol or Florida Game and Fresh Water Commission.
ILLINOIS Dept. of Conv. (217) 782-2138	All undocumented watercraft.	1988	\$7.00	Yes	Yes	No, spot checks by Law Enforcement.
INDIANA Bureau of Motor Vehicles (317) 232-4017	All motorboats purchased after 1/1/86 valued \$3,000 or more.	1/1/86	\$9.00	Yes	Yes	Yes, Law Enforcement Officers & Bureau of Mtr. Veh. Branch Employees.
IOWA Dept. of Nat. Res. (515) 281-5267	All vessels 17' & longer, except canoes and inflatables.	1/1/88	\$10.00	Yes	Yes	No
KENTUCKY Dept. of Transp. (502) 564-2737	All motorized watercraft. All others optional.	1/1/90	\$6.00 Original \$4.00 Duplicate	Yes	Yes	Yes, if home-made, Water Patrol inspection. Use documentation in all other cases.
MARYLAND Dept. of Nat. Res. (410) 974-5623 Public Information (410) 974-3211	All undocumented vessels with propulsion machinery.	6/1/65	\$2.00	Yes	Yes	No. MSO, title or registration from another jurisdiction accepted.
MASSACHUSETTS Fish & Wildlife Enf. (617) 727-3905	All vessels 14' and longer.	5/1/90	\$15.00	Yes	Yes	Yes, FWE Officers.
MICHIGAN Dept. of State (517) 322-1166	All watercraft 20' or longer and all inboards. Others optional.	4/1/77	\$5.00	Yes	Yes	Yes, by a marina, Law Enforcement, or D.N.R.
MINNESOTA Dept. of Nat. Res. (612) 296-7007	All boats over 16' and 1980 & newer, except canoes and kayaks + other exemptions.	1/1/91	\$15.00 plus \$3.25 filing. \$10.00 transfer.	Yes	Yes	No, self certification when MCO isn't available for pre-title requirements.

CONT BOAT TITLING CHART

INSPC. FEE	LIEN HOLDER	LIEN FEE	BOAT TRAILER RESTRICTIONS	DEALER WATERCRAFT LICENSE REQ.	DEALER LICENSE FEE	DEALER BONDING REQ.
N/A	Yes	None-initial. \$15.00 to add lien.	Title & registration required on all trailers.	No	N/A	
None	Yes	\$1.00	Titled & registered by D.M.V.	Yes	\$40.00	None
None	Yes	\$1.00	Registration required. Titled if over 2,000 lbs.	No	N/A	N/A
N/A	Yes	\$5.00	Titled & registered by Sec. of State.	Required if dealer demo's boats.	\$10.00	None
\$5.00	Yes	None	All trailers are titled & registered.	Yes	\$30.00	None
N/A	Yes	\$10.00	20,000 lbs. or more unladen wt. are titled by D.O.T.	No	N/A	N/A
None	Yes	\$10.50	Required to be titled, but not registered.	Yes	\$25.00	None
N/A	Yes	\$15.00	Titled & registered by Dept. of Transportation, M.V.A.	Yes	\$25.00	\$20,000
None	Yes	\$5.00	Titled & registered by Registry of M.V.A.	Yes	\$30.00	None
None	Yes	None	Titled if 2,500 lbs. unladen wt. or more. All trailers are registered.	No	N/A	N/A
N/A	Yes	\$10.00 per lien, plus \$3.25 filing.	Trailers with a lien or over 4,000 lbs. gross wt. are titled by M.V. All trailers are registered.	No	N/A	N/A

House Transportation Committee
 February 25, 1996
 Attachment # 1

NOTE: States not shown DO NOT title boats (see Boat Titling Map).

BOAT TITLING CHART

DEPT. TO CONTACT	TITLES LIMITED TO:	TITLE AFFECT DATE	TITLE FEE	SPEC. TITLE CERT.	MSO REQ. TO TITLE	HULL I.D. # INSPECTION REQUIRED
MISSOURI Dept. of Revenue (314) 751-4509	All motorized watercraft & any sailboat of more than 12'.	4/1/86	\$7.50	Yes	Yes	No, unless 12-digit # can't be found, then inspec. by Water Patrol or other L.E. Officer. 1973 or newer.
MONTANA Title & Reg. (406) 846-1423	All motorized watercraft, canoes, pontoons, rafts, etc., and sailboats 12' & longer.	7/1/88	\$5.00	No	Pref./not required notarized statement.	Yes, if stated # does not conform to Coast Guard standards. Parks Dept. F&G/L.E.
NEVADA Dept. of Wildlife (702) 688-1500	All motorboats. Others are optional.	1/1/71	\$15.00 New. \$5.00 Change of ownership.	Yes	Yes	Yes, Nevada Div. of Wildlife Officers.
NEW JERSEY Dept. of Law & Public Safety (609) 292-6500	All boats longer than 12', except canoes & kayaks, etc.	7/1/87	\$20.00	Yes	Yes, for new (or) prev. owned boats.	Yes, assigned HIN.
NEW MEXICO Rev. & Tax Dept. (505) 827-2201	All watercraft greater than 10'. Canoes, kayaks, rafts, seaplanes & sailboats exempt.	5/1/88	\$10.00 Original \$5.00 Duplicate	Yes	Yes	Yes, DMV Employees, Parks & Rec. Officers, Forest Svc. Waterway Employees, & L.E.
NEW YORK Title Bureau (518) 486-4714	1987 & newer and 14' or longer & motorized.	1987	\$5.00	Yes	Yes	No, documents or word of applicant accepted.
NORTH CAROLINA Wildlife Res. Comm. (919) 662-4373	All watercraft.	1/1/90	\$20.00 Initial \$10.00 Transfer	Yes	No	No, proof of ownership documents accepted.
OHIO Dept. of Nat. Res. (614) 265-6480	All boats 14' or longer, except canoes & kayaks & all outboard motors of 10 HP or greater.	1/1/64	\$5.00	Yes	Yes	No, may req. pencil tracing of number or req. appt. for inspection.
OKLAHOMA Tax Commission (405) 521-2437	All watercraft & outboard motors in excess of 10 HP.	1958	\$2.25	Yes	Yes	Yes, if homemade or without HIN.
OREGON Marine Board (503) 378-8587	All motorized boats regardless of length & sailboats 12' & longer.	1/1/59	\$7.00	Yes	Yes	No, proposed for 1995/96.
RHODE ISLAND Dept. of Env. Mgmt. (401) 277-6647	All watercraft, except for documented vessels.	1/1/89	\$10.00	Yes	Yes	Yes, Boating Safety Enforcement Officers.

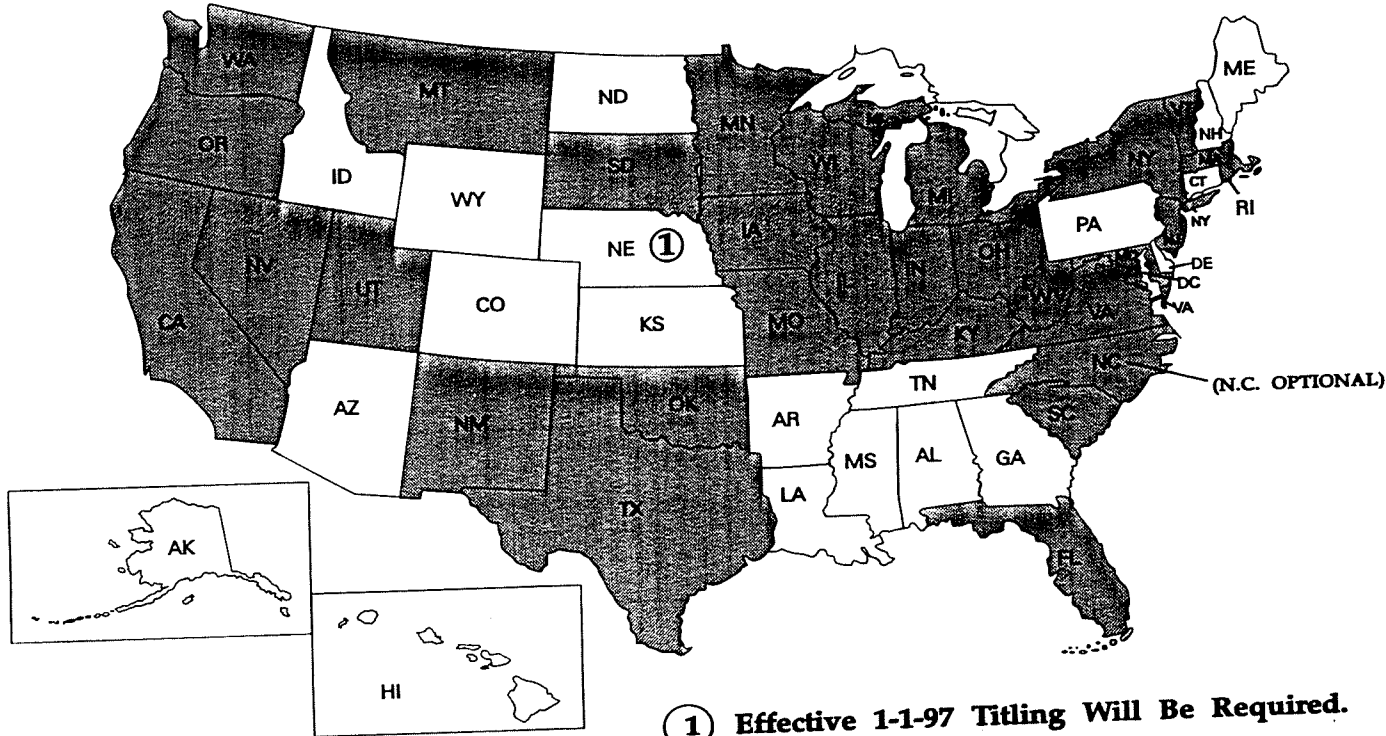
NOTE: States not shown DO NOT title boats (see Boat Titling Map).

CONT. BOAT TITLING CHART

INSPC. FEE	LIEN HOLDER	LIEN FEE	BOAT TRAILER RESTRICTIONS	DEALER WATERCRAFT LICENSE REQ.	DEALER LICENSE FEE	DEALER BONDING REQ.
N/A	Yes	None	All trailers used on the highways must be titled & registered.	Yes	\$100.00	
None	Yes	\$4.00	All trailers are required to be titled & registered.	Yes	\$5.00	\$5,000
None	Yes	None	Titled & registered by DMV.	No	N/A	N/A
None	Yes	\$40.00	Titling depends on weight. Registered regardless of weight.	No	N/A	N/A
None	Yes	\$10.00	All trailers are required to be titled & registered.	No	N/A	N/A
N/A	Yes	\$5.00	More than 1,000 lbs. and 1973 & newer are titled.	Yes	\$50.00 2 year license.	None
N/A	Yes	\$10.00	Titled & registered by M.V.	No	N/A	N/A
N/A	Yes	\$5.00	If 4,000 lbs. or more, titled by M.V. All trailers are registered.	No (Yes, if dealer allows trade-ins.)	N/A (\$50.00)	N/A (/)
None	Yes	\$10.00	No title or registration requirements for non-commercial.	Yes	\$200.00 New \$100.00 Used	None
N/A	Yes	None	Titled & registered by D.M.V. if 1,800 lbs. or more loaded weight.	No	N/A	N/A
\$15.00	Yes	\$15.00	Title & registration required depending on year & carrying weight.	No	N/A	N/A



Shaded States Title Boats





STATE OF KANSAS
DEPARTMENT OF WILDLIFE & PARKS

Office of the Secretary
900 SW Jackson, Suite 502
Topeka, KS 66612
913/296-2281 FAX 913/296-6953



H.B. 3011

Testimony Provided To: House Transportation Committee
Provided By: Kansas Department of Wildlife & Parks
February 20, 1996

H.B. 3011 would provide for the titling of all vessels, except seaplanes, through the Department of Revenue, Division of motor vehicles. Vessel owners would apply to the County Treasurer in their county of residence for a certificate of title. Those vessels with a valid certificate of number issued in accordance with K.S.A. 32-1110 *et seq.*, would be exempt from titling until any interest in the vessel is transferred or the certificate of number is renewed. A \$7 certificate of title application fee, payable to the County Treasurer, is established of which the County Treasurer retains \$2, and the remainder is submitted to the Secretary of Revenue. Revenues received by the Secretary of Revenue would be deposited with the State Treasurer with \$2 of each remission credited to the State General Fund and \$3 credited to the Boating Fee Fund.

On and after January 1, 1997, any person who is the owner of a vessel with a valid certificate of number would not be required to apply for a certificate of title until any interest in the vessel is transferred or until the certificate of number is renewed. Each person making application for a certificate of number (new and renewals) to the Department would be required to also submit proof that a certificate of title has been issued for the vessel.

Impacts of this bill on Department operations would not be significant. It will require modifications to the present computer program, but can be accomplished in-house and within the time frames of the bill.

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Attachment 2

Vessel titling is being promoted nation-wide through the Department of Transportation and the U.S. Coast Guard to address identification and recovery of stolen vessels, to deter vessel theft and to reduce fraud. A nation-wide vessel identification system, as established by Coast Guard regulations, will become effective on April 24, 1996. Although state involvement is voluntary, participation will be in the best interests of the states, boat owners and dealers, law enforcement and various financial bodies. Continued availability of federal boating funds may also be jeopardized for those states not participating.

H.B. 3011 will create a vessel identification and titling system in Kansas that will meet federal guidelines and provide the intended benefits.

STATE OF KANSAS
Bill Graves, Governor

DEPARTMENT OF REVENUE
John D. LaFaver, Secretary

Betty McBride, Director of Vehicles
Kansas Department of Revenue
915 SW Harrison St.
Topeka, KS 66626-0001



(913) 296-3601
FAX (913) 296-3852
Hearing Impaired TTY (913) 296-3909

Division of Vehicles

TO: The Honorable Kenneth King, Chairman,
House Committee on Transportation

FROM: Betty McBride Director,
Division of Vehicles

RE: House Bill 3011

DATE: February 20, 1996

Mr. Chairman, members of the committee:

I am Betty McBride, Director of the Division of Vehicles. I appreciate the opportunity to appear before you today on behalf of the Kansas Department of Revenue regarding House Bill 3011.

If enacted, House Bill 3011 will require all watercraft, which could include everything from row boats to inflatable craft, to be titled and a hull identification number issued.

This bill will require a new program to be designed within the Vehicle Information Processing System (VIPS) specifically for watercraft. There are also some areas of the bill, especially the assignment of hull numbers, which seems to overlap responsibilities of the Division of Vehicles and Wildlife and Parks. The cost to implement this legislation could exceed \$250,000. I will attempt to give you a breakdown of those costs later in my testimony.

The Department of Wildlife and Parks currently issues identification numbers to 97,242 motor powered craft. The division of vehicles information system (VIPS) is designed to issue certificates of title for vehicles and motor vehicles. The additional information that must be obtained at the time of application and the information that is required to be printed on the certificate of title is not available on VIPS, thus IS must write new programs to include this information and create a watercraft certificate of title. Creating a new title will mean ordering 200,000 additional titles at a cost of \$14,000. The IS cost for the 6,563 programming hrs. necessary to complete the task of developing a new system is estimated to be \$231,928.32. Limited programming resources must be diverted from other projects in order to have a new system in place and operating by January 1, 1997.

New Sec. 15 (d) will require the Division of Vehicles to issue hull identification numbers for all undocumented personal watercraft, whether motor powered or not. This presents several concerns the division has regarding hull identification numbers including who is responsible for affixing the numbers to the watercraft? Hull numbers, unlike vehicle identification numbers are not standardized across the industry. It would be impossible for us to edit effectively the issuance of these identification numbers, keystroke errors could occur creating a problem with being able to match numbers in the data base. It would also be possible to have identical numbers for a variety

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Attachment 3*

of boats of all ages. If the hull identification numbers must be compatible with any and all federal agencies, there would be identical numbers for each separate system now being used by the different federal agencies.

The additional screens required on VIPS to collect the title/application information will place an additional burden on the county treasurer's office. This could result in increased waiting time and reduced customer service. In order to continue the level of service our customers expect, this process of titling watercraft, assigning and affixing hull identification numbers, we feel should be reviewed in depth prior to implementing this bill.

Before consideration of passage, it is our recommendation that this complex issue be studied further, and the answers to our concerns be identified.

Thank you again for the opportunity to appear today. I would stand for your questions at this time.