

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND TOURISM

The meeting was called to order by Chairman Ben Vidricksen at 9:05 a.m. on March 6, 1997 in Room 254-E of the Capitol.

All members were present except:

Committee staff present: Hank Avila, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Marian Holeman, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

SB 266 REGARDING MOTOR VEHICLES - CONSUMER PROTECTION

Members considered the bill on February 25, following hearings on February 21, 1997 and returned today to deliberate on proposed amendments. Staff presented a balloon containing the proposed amendments and went through them, enumerating those with which the Attorney General's (AG) Office agreed and noting those which they oppose. The AG continues to disagree with exempting tire dealers. They agreed to the amendment proposed by the Automobile Dealers Association. Members dealt with several changes which just cleaned up the bill. The section related to salvageable vehicles, especially the 75% damage issue, was not agreed to by the parties. In summary, there remains two areas of contention.

Arguments presented February 25 were repeated. Members were reminded that the threshold for this bill is \$150.00. Repairs for less than \$150.00 are not involved in this bill's requirements. Only repairs to "motor vehicles" with a registered gross weight of 16,000 lbs. or under, are involved. The tire subject was not part of the original Task Force discussions, but the Attorney General felt everyone should be treated equally. Members agreed to leave the balloon, exempting tire dealers from the bill provision.

Discussion included definition of a "motor vehicle repair shop." It was pointed out this is a "civil" law with a penalty up to \$5,000 per violation. The Attorney General will not become involved unless there is a complaint filed. It is designed to protect consumers "up front" from fraud. This is a nationwide problem. There is a strong background history and precedent for this auto repair consumer protection bill. It will protect dealers as well as consumers. The \$10,000 penalty relates to odometer roll back, not disclosure. It was explained there is a general consumer protection act and there are specific laws to deal with high problem areas such as telemarketing, mail orders, consumer credit, etc.

Discussed the "salvage/salvageable" vehicle issue. Members were advised there is no title branding statute in either federal or Kansas law. It is understood Congress has been working on a law to deal with this for the past four years. Believe a nationwide federal law may well come out this year. There have been hearings in the Kansas Legislature in the past on this issue and obviously it was not resolved. Kansas does have a "branding" title which is a regular title that merely says "salvage" on it. The original bill language matches the anticipated federal language and should be retained rather than adopting proposed amendment. Discussed the bill's implications for recreational vehicles.

This bill again will be considered the first part of next week.

Meeting adjourned at 10:10 a.m.

The next meeting is scheduled for March 10, 1997.

SENATE TRANSPORTATION AND TOURISM
COMMITTEE GUEST LIST

DATE: MARCH 6, 1997

NAME	REPRESENTING
5409 RARRICK	A.G
Sim Welch	"
ZAT BARNES	Ks. Auto Dealers Assoc.
DON McNEELY	KS. AUTO DEALERS ASSN.
TOM PALACE	KOMA
STEVE KEADNEY	KOMA
Wanda Ann Smith	KDHA
Al W. J.	FARMERS INS GROUP
John Dilstra	-
Ronald Kasper	-
Steve Avis	Society of Collision Repair Specialists
Shirley Carpenter	auto industry
Mary Carpenter	ASA of Kansas
Lisa Meyer	Ks Gov. Consulting
Rick Scheibe	KDOR
Betty Mc Bride	KDOR
Tom WHITAKER	Ks Motor Carriers Assn
John Dvorak	Kansas City Star