

Approved: May 1, 1997
Date

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND TOURISM

The meeting was called to order by Chairman Ben Vidricksen at 9:25 a.m. on March 21, 1997 in Room 254-E of the Capitol.

All members were present except: Senator Harrington
Senator Goodwin

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

Conferees appearing before the committee: Jeff Fraser

Others attending: See attached list

HB 2010 DIVISION OF VEHICLES - OPEN RECORDS ACT

Hearings were held on March 18. The Chair requested input from INK. Jeff Fraser, General Manager of INK advised they remain opposed to the proposed wording in **HB 2010** on the basis of privacy. It is also their opinion that it could possibly jeopardize the viability of INK as well as additional other revenues flowing into the State of Kansas. They see this bill as removing subject records from the Kansas Open Records Act. There is no area in which they can compromise. They pay the State \$3.00 per record and sell them for \$4.00. \$1.00 of what INK pays the state goes to the Highway Patrol and \$1.00 goes to operate INK. As far as Mr. Frazser knew the other \$2.00 goes to the general fund. Last year INK paid the State close to \$4 million. INK did not provide written testimony.

The Highway Patrol provided written testimony opposing changing current law in such a way as to negatively impact funding for the Patrol Training Academy (Attachment 1). Written testimony explaining their efforts to address INK's concerns was received from the Polk Company (Attachment 2). Written testimony opposing the POLK amendments was received from AARP (Attachment 3).

It was revealed that the parties had not met in conference to work out the differences. The Chair noted that the Committee did not wish to enact legislation that would damage either side of the issue, and again directed the parties to confer and report back to the Committee.

APPROVAL OF MINUTES

Senator Salmans moved to approve the meeting minutes for February 10 and February 11, 1997. Senator Jordan seconded the motion. Motion carried.

The meeting adjourned at 10:00 a.m.

The next meeting is scheduled for March 24, 1997.

SENATE TRANSPORTATION AND TOURISM
COMMITTEE GUEST LIST

DATE: MARCH 21, 1997

NAME	REPRESENTING
Jeff Fraser	IUC
Patrick Hurley	KIC
R. Lipsey	AP
John Petersen	Palk
Norman Thibert	Palk
	Falk
	Falk

**Kansas Highway Patrol
Summary of Testimony
House Bill 2010
before the
Senate Transportation Committee
presented by
Terry L. Maple
March 21, 1997**

Good morning Mr. Chairman and members of the committee. My name is Terry Maple and I appear before you today on behalf of Superintendent Lonnie McCollum to comment on House Bill 2010.

The Patrol feels it is necessary for the State of Kansas to comply with the provisions of the federal 1994 Driver's Privacy Protection Act. That act outlines mandatory and permissible uses of motor vehicle records. House Bill 2010 is an attempt to bring Kansas into compliance with the federal act.

We are however concerned about a previous provision of the bill that was deleted by the House Committee. That provision would have allowed businesses access to motor vehicle records in bulk distribution for surveys or marketing purposes. This change may have adversely impacted funding for the Kansas Highway Patrol Training Academy in Salina.

The Governor's budget recommendation to the Legislature for FY 1998 includes estimated revenue to the Patrol Training Academy of \$1.5 million. These funds are derived from the sale of motor vehicle records maintained by the Department of Revenue. We are concerned that any changes in the way the fees are assessed or the purposes for which the information can be purchased and resold could result in changes to the financing of state agencies creating an additional strain on state general fund revenues.

The Patrol is supportive of Kansas complying with the federal requirements regarding access to motor vehicle records. We are also supportive of the House Committee's action to delete the survey and marketing provision because of the possible adverse impact on the Patrol, other state agencies and the state general fund.

JOHN C. PETERSON
KANSAS GOVERNMENTAL CONSULTING

Wichita Office

THE AMIDON HOUSE
1005 N. MARKET
WICHITA, KANSAS 67214-2911
(316) 263-4987
FAX (316) 263-4992

Kansas City Office

10200 STATE LINE, SUITE 230
LEAWOOD, KANSAS 66206-2375
(913) 381-6876
FAX (913) 381-6965



1206 WEST 10TH
TOPEKA, KANSAS 66604-1291
(913) 233-1903
FAX (913) 233-3518

Please Reply to Topeka Office

To: Senate Transportation and Tourism Committee

From: John C. Peterson, The Polk Company

RE: HB 2010 Motor Vehicle Records

Date: March 21, 1997

The proposed amendments by Polk are specifically designed to address concerns expressed by INK, that there might be a loss of revenue by a company receiving bulk records and then competing with INK by selling them on an individual basis.

-- The amendments separate out individual driving records/personal information from title and registration records (only title and registration records would be available).

-- They limit the use of those records for survey and marketing to those already receiving the title and registration records, define survey and marketing, and prohibit the use of the information for telemarketing or for motor vehicle refinancing.

-- They leave it up to the individual Kansas citizen whether to opt to not have his or her name available for survey and marketing.

Is enforcement of the restrictions on usage a problem? Kansas currently enforces the restrictions on usage and would be able to under the amended version by specific provisions in the Federal law, the State law and the contract itself.

Remember that 36 states currently allow such marketing and survey use and that Kansas just last quarter more than doubled the fees charged to Polk.

We would encourage you to let the individual decide and to adopt the proposed amendments to HB 2010.

SENATE TRANSPORTATION & TOURISM
3/21/97
ATTACHMENT 2

2-1



Bringing lifetimes of experience and leadership to serve all generations.

KANSAS STATE LEGISLATIVE COMMITTEE

CHAIR

Mrs. Bettie Sue Shumway
306 S Ash Street
Ottawa, KS 66067
(913) 242-3411

VICE CHAIR

Mr. James Haught
537 Saint Andrews Drive
Wichita, KS 67230
(316) 733-4652

SECRETARY

Mr. Charles H Freeman
RR 1 Box 23
Vassar, KS 66543
(913) 828-4875

CCTF COORDINATOR

Mr. Thomas Young
3348 SW McClure Court
Topeka, KS 66614
(913) 273-5737

January 23rd, 1997

Mr. Chairman and members of this Committee, I am Charles H. Freeman, Secretary of the AARP State Legislative Committee for the State of Kansas.

Attached you will find copies of our 1997 AARP State Legislative Committees Position Paper on promoting protection for all Kansans against fraud and abuse.

The Kansas AARP will promote legislation and education to protect the citizens of Kansas from such forms of fraud and abuse as questionable funeral practices, telemarketing fraud, unfair advertising, computerized mailing lists, services for a fee where government agencies offer the same service free, and promote product and home safety, fire safety, and privacy protection.

Studies by the Federal Trade Commission (FTC) and AARP reveal that many funeral homes are not complying with requirements concerning pricing. The widespread use of computers, credit cards and toll-free telecommunications has made at-home shopping for goods and services a welcome convenience, but this technology has also enabled criminals and con-artists to reach a vast audience. The National Consumers League estimates that consumers lose \$40 to \$60 billion per year to telemarketing fraud.

HB/2010 will tend to increase private information from the Motor Vehicle Department to the business and telemarketing industries. Many Kansans have their social security numbers on their Drivers License. When this was done, I am sure they had no idea their Motor Vehicle License information would be made public. Therefore, we must oppose this bill because we believe that all information that is necessary for telemarketing and business under the Open Government Records Act can be obtained through normal channels.

Respectfully Submitted,
Charles H. Freeman - AARP-SLC

American Association of Retired Persons 601 E Street, NW Washington, DC 20049 (202) 434-2277

Margaret A. Dixon, Ed.D. President

Horace B. Deets Executive Director

SENATE TRANSPORTATION & TOURISM
3/21/97
ATTACHMENT 3

3-1



American Association
of Retired Persons

Kansas State Legislative Committee

1997 Position Paper

PROMOTE PROTECTION FOR ALL KANSANS AGAINST FRAUD AND ABUSE

POSITION

The Kansas AARP will promote legislation and education to protect the citizens of Kansas from such forms of fraud and abuse as questionable funeral practices, telemarketing fraud, unfair advertising, computerized mailing lists, services for a fee where government agencies offer the same service free, and promote product and home safety, fire safety, and privacy protection.

PROBLEM

Studies by the Federal Trade Commission (FTC) and AARP reveal that many funeral homes are not complying with requirements concerning pricing. The widespread use of computers, credit cards and toll-free telecommunications has made at-home shopping for goods and services a welcome convenience, but this technology has also enabled criminals and con-artists to reach a vast audience. The National Consumers League estimates that consumers lose \$40 to \$60 billion per year to telemarketing fraud.

By using computerized mailing lists, unscrupulous marketers can target specific market segments for scams or questionable products. Older persons are often the target of scams involving misleading information which appears to be from a government agency or offers which appear to be free but are actually part of a profit-making scheme.

The U.S. Consumer Product Safety Commission estimates that 600,000 people over 65 years of age are treated each year in hospital emergency rooms for injuries associated with fraudulent products they live with or use in their homes. This population has an accidental death rate three times that of younger Americans.

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October 1996