

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 23, 1998 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: Betty McBride, Dir. Div. Of Vehicles

Others attending: See attached list

HB 2782: Transporting hay - excess width.

The Chair requested staff explain proposed amendments contained in the balloon provided members. Revisor Kinzie advised that following the previous hearing, a problem came up regarding the definition of "national network of highways." The fact is, it includes not only interstate and federal highways, but all the "K" highways. When the bill was proposed it was assumed that with the passage of this bill individuals would still be able to move excess width hay on "K" routes and that is NOT the case. Now that this has been brought to the attention of federal authorities they can no longer ignore the fact that Kansas is not in compliance with federal laws. Federal authorities have agreed to "grandfather" in the U.S. and K routes until July 1, 1999. Therefore, until July 1, 1999, loads can run on US and K routes just as they do now. At either \$5.00 for a single trip or \$125.00 annually, permits will be required to run on interstates. After July 1, 1999, a special permit will be required to run on all the interstates, U. S. Highways, and K routes. On non-interstate roads the price of the permit will be \$25 annually or \$5.00 for a single trip. Implements of husbandry can be used temporarily on the highways and are not involved in this. The bill is needed to insure the state does not lose highway funds. Senator Tyson moved to adopt the proposed amendments. Senator Harrington seconded the motion. Motion carried. Senator Karr moved to report the bill as amended favorable for passage. Senator Goodwin seconded the motion. Motion carried. Senator Karr will carry the bill.

HOUSE SUB FOR SENATE SUB FOR SB 139: Property taxation, computation of tax on certain vehicles.

The bill is currently in a conference committee. This Committee is simply taking a look at the bill in its current form. Would like to provide recommendations to the conference committee. Betty McBride, Department of Revenue, Director, Division of Vehicles explained the benefits provided in this bill (Attachment 1). It was noted that Senator Lee has some objections to the bill, but apparently has not presented them to be worked out. The antique vehicle bill is also in H Sub for S Sub for SB 139 as are other bills dealing with related subjects. Staff explained the attempt to clean up several bits and pieces of vehicle tax and tag bills that have been passed in some form by both houses. It was suggested that incorporating them all into this one bill would be a much more feasible procedure by which to accomplish these proposed changes. Discussed the fiscal note, where the funds go and how they could possibly come back to the Vehicle Department to compensate for added requirements contained in this bill.

The meeting adjourned at 9:55 a.m.

The next meeting is scheduled for March 24, 1998.

SENATE TRANSPORTATION AND TOURISM
COMMITTEE GUEST LIST

DATE: MARCH 23, 1998

NAME	REPRESENTING
Patty McBride	Dir. D.W. of Motor Vehicle
Tom Whitaker	Ks Motor Comm. Assn.
Bill Fuller	Farm Bureau
Ken Gudenhof -	

STATE OF KANSAS

Betty McBride, Director
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Department of Revenue
Division of Vehicles

House Substitute for Substitute Senate Bill 139 provides the following benefits:

It would allow trucks registered for more than 12,000 lbs but less than 20,000 lbs. to continue to be registered on a tax statement received by the taxpayer in November as is current practice, but the vehicle tax would be computed at the lower staggered tax and tag rate.

The advantages of allowing these vehicles to continue paying under the current system in lieu of putting them on the tax and tag system are as follows:

- * The taxpayer could continue to pay the personal property taxes on the vehicle in half in lieu of having to make full payment as is required by the tax and tag statute.
- * The vehicle owner would continue to have the option to pay registration fees on a quarterly pay basis. This option would no longer be available under the tax and tag system.
- * The vehicle owner could continue to increase and decrease weight on these vehicles. Under tax and tag this option would also no longer be available.

Passage of House Substitute for Substitute Senate bill 139 will give the vehicle owner the best of both worlds, it will provide all the benefits which are currently available under the annual registration requirement, but would tax the vehicles at the lower tax and tag rate.

SENATE TRANSPORTATION & TOURISM
COMMITTEE -DATE: 3-23-98
ATTACHMENT: #1

Passage of House Sub. for Senate Sub. 139 would exempt 16M & 20M vehicles from the following requirements on January 1, 1999
Typical registration transactions for 1997 Dodge 3/4 ton, Reg cab, 4x4 truck owned by Edward Smith, changing tags from ad valorem to staggered tax and tag system.
Note: This typical sequence of transactions will occur only once, in the year that the taxpayer changes from ad valorem to the tax and tag system.

December 20, 1998
First half of ad valorem taxes due for 1998 tax year.

1997 Dodge truck --- \$412.72

January 1, 1999
Current tags expire. Taxpayer must obtain new license plates and pay prorated vehicle tax to new renewal month.

1997 Dodge truck --- \$444.94

June 20, 1999
Taxpayer pays second half of ad valorem taxes for tax year 1998.

1997 Dodge truck --- \$412.72

October 31, 1999
Prorated tags expire and taxpayer must register vehicle and pay full registration fees and taxes for full registration year of 2000

1997 Dodge truck --- \$447.37

December 20, 1998-- First half of ad valorem taxes due for 1998 tax year.
(Jan. 1, 1998 to June 30, 1998)

January 1, 1999 -- current license plate expires. Now vehicle is under tax and tag and must obtain new license plate and pay prorated registration fees and vehicle taxes to initiate staggered registration for 1998 from January 1 to normal registration date based on the first letter of last name. (In this case January 1, 1998 to October 31, 1998)

June 20, 1999-- Taxpayer pays second half of ad valorem taxes for 1998 tax year.
(June 20, 1998 to Dec. 31, 1998)

October 31, 1999 -- Prorated license plate expires, taxpayer must now pay registration fees and full vehicle taxes for annual 1999 registration period.

Note: June renewal will pay both ad valorem and tax and tag taxes in June of 1998.
These are estimated tax dollars.