

MINUTES OF THE HOUSE TRANSPORTATION.

The meeting was called to order by Chairperson Gary Hayzlett at 1:40 p.m. on February 19, 2002 in Room 519-S of the Capitol.

All members were present except:  
Representative Beggs, excused

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

Conferees appearing before the committee:  
Representative Ethel Peterson  
Sheila Walker, Director, Division of Vehicles

Others attending:  
See attached sheet

**HB 2791 - reinstatement of driving privileges and vehicle registration, no insurance**

Chairman Hayzlett opened hearings on **HB 2791** and called on Bruce Kinzie, Revisor, to give an overview of the bill. He stated this bill would amend the Kansas Automobile Injury Reparations Act as it relates to when the Division of Vehicles should lift a suspension or revocation due to a motorist having "no insurance". It is an additional method for reinstatement of drivers' license or vehicle tag to a uninsured person involved in an accident which was not their fault.

Sheila Walker, Director, Division of Vehicles, states currently there are three options for reinstatement and she listed these. **HB 2791** offers two additional options 1) giving the division the authority to determine whether reinstatement should be allowed and 2) if the other party cannot be identified or located. The Division asks that the option making the division the authority to determine reinstatement be stricken. She stated the Division currently processes administrative actions and court convictions; they do not make subjective judgement decision, as this bill would require.

She offered an amendment which would strike old (D) and replace with new (D) on page 5 of **HB 2791** stating "*the other party to the accident cannot be located as evidenced by providing the original or copy of a returned certified, receipt requested card that had been sent through the U.S. Post Office to the last known address (that shown on the accident report or otherwise provided) to the division*". (Attachment 1)

She also suggested the bill take effect upon publication in the Kansas Register rather than the statute book.

There were no other proponents and no opponents listed. Chairman Hayzlett closed hearings on **HB 2791**.

Chairman Hayzlett adjourned the meeting at 2:10 p.m. The next meeting of the House Transportation Committee will be Wednesday, February 20, 2002.



Sheila Walker, Director  
Division of Vehicles  
Kansas Department of Revenue  
915 SW Harrison St.  
Topeka, KS 66612-1588



(785) 296-3601  
FAX (785) 291-3755  
Hearing Impaired TTY (785) 296-3909  
Internet Address: www.ksrevenue.org

## TESTIMONY

**TO:** Gary Hayzlett, Chairman  
House Transportation Committee Members

**FROM:** Sheila J. Walker, Director  
Division of Vehicles

*Sheila J. Walker*

**DATE:** February 19, 2002

**SUBJECT:** HB 2791 – Insurance Reinstatement

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Mr. Chairman, members of the Committee, I am Sheila Walker, Director of the Kansas Division of Vehicles. I want to thank you for the opportunity to appear today regarding House Bill 2971.

House Bill 2791 amends the Kansas Automobile Injury Reparations Act, specifically as it relates to when the Division of Vehicles should lift a suspension or revocation due to a motorist having "no insurance." Once the motorist has paid a reinstatement fee, there are currently three options for reinstatement:

1. The person has been released from liability or is a party to an action to determine liability pursuant to which the court temporarily stays such suspension pending final disposition;
2. The person has entered into an agreement for the payment of damages; or
3. The person has been finally adjudicated not to be liable in respect to the accident and such evidence has been filed with the Division of Vehicles.

Two additional options are provided by this legislation:

4. The division can determine from the accident report that the person is not liable in respect to the accident; or
5. The other party to the accident cannot be identified or located.

The Division respectfully asks that you strike the 4<sup>th</sup> option (Section 1 (j)(3)(D) on page 5 of the bill). The suspension of driving privileges has served as a tool to assure that those injured or damaged by an uninsured driver are more likely to receive compensation as a result of withholding of driving privileges until those issues are resolved. This particular amendment would allow an uninsured driver to have driving privileges reinstated based upon entries made in an accident report – even if the individual in question is ultimately found to be liable in an action arising out of the accident.

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Additionally, it is not unusual for a law enforcement officer to attribute fault in an accident to one party, but for the other party to ultimately be found at fault.

The Division currently processes administrative actions and court convictions; we do not make subjective judgement decisions, as this bill would require. Therefore, we, again, respectfully request striking (D).

The 5<sup>th</sup> option (Section 1 (j)(3)(E) on page 5 of the bill) would allow reinstatement to occur when the uninsured motorist is willing to resolve the matter, but the other party is unavailable. The attached balloon sets the standard to determine that a good faith effort has been made to locate the other party.

We appreciate your favorable consideration of the attached amendments.

1 (3) to any self-insurer as defined by subsection (u) of K.S.A. 40-3103,  
 2 and amendments thereto;

3 (4) to the driver or owner of any vehicle involved in the accident  
 4 which was exempt from the provisions of this act pursuant to K.S.A. 40-  
 5 3105, and amendments thereto;

6 (5) to the owner of a vehicle described in subsection (a)(2).

7 (j) For the purposes of provisions (1) and (2) of subsection (i) of this  
 8 section, the director may require verification by an owner's or driver's  
 9 insurance company or agent thereof that there was in effect at the time  
 10 of the accident an automobile liability policy as required in this act.

11 Any suspension or revocation effected hereunder shall remain in effect  
 12 until:

13 (1) Satisfactory proof of financial security has been filed with the di-  
 14 rector as required by subsection (d) of K.S.A. 40-3118, and amendments  
 15 thereto, and;

16 (2) *has paid the reinstatement fee herein prescribed; and*

17 (3) such person:

18 (A) Has been released from liability or is a party to an action to de-  
 19 termine liability pursuant to which the court temporarily stays such sus-  
 20 pension pending final disposition of such action;

21 (B) has entered into an agreement for the payment of damages, or;

22 (C) has been finally adjudicated not to be liable in respect to such  
 23 accident and evidence of any such fact has been filed with the director  
 24 and has paid the reinstatement fee herein prescribed;

25 ~~(D) the division can determine from the accident report that the per-~~  
 26 ~~son is not liable in respect to such accident; or~~

27 ~~(E) the other party to the accident cannot be identified or located.~~

28 Such The reinstatement fee shall be \$100 except that if the registration  
 29 of a motor vehicle of any owner is revoked within one year following a  
 30 prior revocation of the registration of a motor vehicle of such owner under  
 31 the provisions of this act such fee shall be \$300.

32 (k) The provisions of this section shall not apply to motor carriers of  
 33 property or passengers regulated by the corporation commission of the  
 34 state of Kansas.

35 (l) The provisions of subsection (d) shall not apply to vehicle dealers,  
 36 as defined in K.S.A. 8-2401, and amendments thereto, for vehicles being  
 37 offered for sale by such dealers.

38 Sec. 2. K.S.A. 40-3104 is hereby repealed.

39 Sec. 3. This act shall take effect and be in force from and after its  
 40 publication in the statute book.

as evidenced by providing the original or copy of a returned certified, receipt requested card that had been sent through the U.S. Post Office to the last known address (that shown on the accident report or otherwise provided) to the division.]