

MINUTES OF THE HOUSE TRANSPORTATION.

The meeting was called to order by Chairperson Gary Hayzlett at 1:40 p.m. on March 12, 2002 in Room 519-S of the Capitol.

All members were present except:

Representative Aday, excused
Representative Ballou, excused

Committee staff present:

Bruce Kinzie, Office of the Revisor
Hank Avila, Legislative Research Department
Ellie Luthye, Committee Secretary

Conferees appearing before the committee:

Robert Longino, Director, Alcoholic Beverage Control
Matt Moser, Division of Vehicles

Others attending:

See attached sheet

SB 463 - common carriers authorization to transport liquor

Chairman Hayzlett opened hearings on **SB 463** and called on Robert Longino as the first conferee. He stated this bill involves two aspects of transportation carrier requirements for transporting alcoholic beverages in Kansas - 1) eliminates the requirement for common carriers to obtain a permit from the Alcoholic Beverage Control to transport alcoholic beverages and 2) addresses the requirement for all types of transportation carriers to furnish ABC with duplicate bills of lading for all alcoholic beverage products delivered in Kansas.

He explained any transportation carrier characterized by the phrase "common carrier" meets Kansas requirements to transport products in the state via regulation through the Kansas Corporation Commission and additionally any "common carrier" may obtain a permit to transport alcoholic beverages. In regard to the duplication of lading he said handling and processing the volumes of paperwork this requirement generates is beyond their capability. He continued they already receive large quantities of documents from suppliers and distributors on products shipped, received and warehoused in the state and they feel this requirement is not something necessary to the regulation of alcoholic beverages. He asked support of the committee in considering **SB 463**. (Attachment 1)

There were no other proponents and no opponents. Following questions from the committee Chairman Hayzlett closed hearings on **SB 463**.

SB 507 - certificates of title for boat trailers

Chairman Hayzlett opened hearings on **SB 507**. Matthew Moser, Manager of Titles and Registrations, Division of Vehicles, presented testimony in support of this bill. He said this bill would permit the transfer of boat trailers with a notarized bill of sale and an inspection by the Kansas Highway Patrol and this process closely resemble the current procedure for titling antique vehicles and will afford all the necessary protections to both previous owners and any lienholders. He listed several situations in which owners do not title and register their boat trailers, even when it is required. He concluded **SB 507** will have a positive impact on the boating industry as well as improve customer service and convenience for the citizens of Kansas. (Attachment 2)

There were no other proponents and no opponents. Following questions from the committee Chairman Hayzlett closed hearings on **SB 507**.

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE, Room 519-S of the Capitol at 1:40 p.m.
on March 12, 2002

SB 463 - common carriers authorization to transport liquor

Chairman Hayzlett called for discussion and final action on **SB 463**. Representative Beggs made a motion to pass SB 463 favorably, seconded by Representative Levinson and the motion carried.

SB 507 - certificates of title for boat trailers

Chairman Hayzlett called for discussion and final action on **SB 507**. Representative Dreher made a motion to pass SB 507 favorably, seconded by Representative Powers and the motion carried.

Chairman Hayzlett adjourned the meeting at 2:00 p.m. The next meeting of the House Transportation Committee will be Wednesday, March 13, 2002.



Robert Longino, Director
Division of Alcoholic Beverage Control
Kansas Department of Revenue
915 SW Harrison
Topeka, KS 66625-3512

(785) 296-7015
FAX (785) 296-7185
Email: abc_mail@kdor.state.ks.us
Internet: www.ksrevenue.org/abc

Division of Alcoholic Beverage Control

March 12, 2002

To: Representative Gary Hayzlett, Chairman House Transportation Committee
From: Robert Longino, Director Alcoholic Beverage Control Division
Date: March 12, 2002
Subj: Testimony in Support of SB 463

Mister Chairman and Distinguished Committee Members - Good Afternoon.

Thank you for the opportunity to appear before you today in support of Senate Bill 463. SB 463 involves two aspects of transportation carrier requirements for transporting alcoholic beverages in Kansas. When I refer to this transportation requirement, I am referring to the transportation of the product from suppliers and manufactures to licensed distributors/wholesalers in Kansas.

The first area I will address is the requirement to obtain a permit to transport alcoholic beverages in the state. K.S.A. 41-408 requires common carriers to obtain such a permit from the Division of Alcoholic Beverage Control. This is a one-time permit per company for a \$5 fee in accordance with administrative regulations. To date we have issued several hundred permits going all the way back to 1949. Our initial thought was to undertake a project to purge the list and then take action to ensure compliance by those carriers who may be transporting alcoholic beverages without a permit. Upon further review of this issue, we questioned the time and costs versus the benefit of maintaining this permit requirement.

Any transportation carrier characterized by the phrase "common carrier" meets Kansas requirements to transport products in the state via regulation through the Kansas Corporation Commission. Additionally, any "common carrier" may obtain a permit to transport alcoholic beverages as there are no requirements to meet other than being a "common carrier." The Division currently does not expend its limited resources verifying companies delivering alcoholic beverages to distributors have the required permits.

This bill eliminates the requirement for common carriers to obtain a permit from ABC to transport alcoholic beverages.

The second area the bill addresses is the requirement for all types of transportation carriers to furnish ABC with duplicate bills of lading for all alcoholic beverage products delivered in Kansas. This statute, K.S.A. 41-801, has been in the Liquor Control Act unchanged since 1949.

House Transportation Committee
March 12, 2002
Attachment 1

Handling and processing the volumes of paperwork this requirement generates is beyond our capability. We already receive large quantities of documents from suppliers and distributors on products shipped, received and warehoused in the state. The duplicate bills of lading have neither been received nor requested for many years. We feel this requirement is not something necessary to the regulation of alcoholic beverages.

As an FYI, we are working on an Electronic Data Interchange (EDI) project to collect and store this type of data via an electronic means versus large quantities of papers and documents.

I appreciate the attentiveness and support of this committee in considering this statutory change.

Thank you for your time this morning and I will now stand for any questions.



Titles and Registrations/Dealer Licensing
Mathew H. Moser, Manager
Kansas Department of Revenue
915 SW Harrison St.
Topeka, KS 66626-0001

(785) 296-3621
FAX (785) 296-3852
Hearing Impaired TTY (785) 296-8924
Web Site: www.ksrevenue.org/dmv

Division of Vehicles

TESTIMONY

TO: Chairman Gary Hayzlett
Members of the House Transportation Committee

FROM: Mathew H. Moser, Manager *Mathew Moser*
Titles & Registrations

DATE: March 12, 2002

SUBJECT: Senate Bill 507 – Titling of Boat Trailers

Mr. Chairman, members of the Committee, I am Mathew Moser, Manager of the Title and Registration Bureau for the Division of Vehicles. I want to thank you for the opportunity to testify in support of Senate Bill 507, regarding the titling of boat trailers.

SB 507 will permit the transfer of boat trailers with a notarized bill of sale and an inspection by the Kansas Highway Patrol. This process will closely resemble our current procedure for titling antique vehicles and will afford all the necessary protections to both previous owners and any lienholders.

Current titling statutes permit boat trailers with a gross weight of 2,000 pounds or less to be titled and registered at the owner's option. Boat trailers that exceed the 2,000 pound weight limit do not have an option, and title and registration are required. However, there are numerous situations in which owners do not title and register their boat trailers, even when it is required. Some examples of these situations are:

- The boat and trailer are maintained and used on private property.
- The owner is unaware that the gross weight of the boat and trailer are over 2,000 pounds.
- The owner is unaware that they are required to title and register the boat trailer.
- The owner is aware of the title and registration requirements, but chooses to ignore them.

In many of these cases, owners are made aware of the title and registration requirements when they sell or trade their boat and trailer, and the purchaser requests a title. Others are informed through enforcement efforts. Owners frequently lack the necessary documentation to acquire a title and registration from the Division of Vehicles and are forced to seek a "quiet title" remedy. Rather than incur the expense and inconvenience of pursuing a "quiet title" action, owners sell or trade their boats and trailers in our neighboring states, which permit a transfer of ownership on a bill of sale. This practice has a negative impact on the boating industry.

SB 507 – Titling Boat Trailers

Page 2

March 12, 2002

SB 507 will help to eliminate this practice, and have a positive impact on the boating industry as well as improve customer service and convenience for the citizens of Kansas.

I would like to thank the Committee for permitting my appearance today and will stand for any questions you may have.