

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE.

The meeting was called to order by Chairperson Gary Hayzlett at 1:30 p.m. on March 11, 2003 in Room 519-S of the Capitol.

All members were present except:

Representative Mary Kauffman

Committee staff present:

Bruce Kinzie, Revisor  
Hank Avila, Legislative Research Dept.  
Mary Galligan, Legislative Research Dept.  
Betty Boaz, Committee Secretary

Conferees appearing before the committee:

Tom Whitaker, Executive Director, KS Motor Carrier Ass'n.  
Sheila Walker, Director, Motor Vehicle Division

Others attending:

See Attached list

**SB 130 - Apportioned registration of fleet vehicles; definitions, converter gears**

Chairman Hayzlett opened hearings on **SB 130** and introduced Tom Whitaker, Executive Director, KS Motor Carriers Ass'n. Mr. Whitaker explained that currently Kansas has an exception to the International Registration Plan (IRP) as it relates to vehicle registration for owner/operators. (Attachment 1) Kansas law requires that an owner/operator who leases to a motor carrier company for a period of 30 days or more must have the vehicle registered in the carrier's name. All other states allow the owner/operator to register in their own name or allow for the option to register the vehicle in the name of the owner/operator or motor carrier. The IRP governing board is currently considering sanctions against Kansas if the state does not eliminate this exception. The proposed bill changes the definition of "owner" plus allows for the registration of "converter gear" if such registration is done electronically and a fee of \$1 for each converter gear is paid to the State. This change will allow Kansas based carriers the ability to register converter gears in their base state to be in compliance with the laws of Alabama, Pennsylvania, Indiana, Tennessee and Florida. Mr. Whitaker then stood for questions from the Committee.

The second proponent was Sheila Walker, Director of Motor Vehicles. She reiterated that the IRP governing board is considering sanctions against Kansas because we have an exception pertaining to owner/operators. (Attachment 2) Current Kansas law requires that an owner/operator, who leases a vehicle to a motor carrier for 30-days or more, register the vehicle in the motor carrier's name. All other states allow the option of registering the vehicle in the name of the motor carrier or the owner/operator. By changing the definition in **SB 130** the vehicle could be registered in the carrier's name or the owner's name. Director Walker explained the 'converter gear' part of this bill and concluded by asking the Committee's favorable support for this bill.

There were no other proponents nor any opponents so the Chairman closed the hearing on **SB 130**.

Chairman Hayzlett called for final action on **SB 130**. Representative Larkin made a motion to pass this bill favorably and Representative Ballou seconded the motion. The motion carried.

There being no further business the meeting was adjourned. The next meeting will be Wednesday, March 12, 2003.





# KANSAS MOTOR CARRIERS ASSOCIATION

P.O. Box 1673 ■ Topeka, Kansas 66601-1673 ■ 2900 S. Topeka Blvd. ■ Topeka, Kansas 66611-2121  
Telephone: (785) 267-1641 ■ FAX: (785) 266-6551 ■ www.kmca.org

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Executive Director

## Legislative Testimony

Before the

HOUSE TRANSPORTATION COMMITTEE  
Representative Gary Hayzlett, Chairman  
Tuesday, March 11, 2003

### **MR. CHAIRMAN AND MEMBERS OF THE HOUSE TRANSPORTATION COMMITTEE:**

I am Tom Whitaker, executive director of the Kansas Motor Carriers Association. We appear before you today to ask for your support for Senate Bill No. 130.

Currently, Kansas has an exception to the International Registration Plan (IRP) as it relates to vehicle registration for owner/operators. The IRP is an agreement between all states that allows for apportioned registration of interstate motor carriers and such registration is done in the carrier's base state.

Kansas law requires that an owner/operator who leases to a motor carrier company for a period of 30 days or more must have the vehicle registered in the carrier's name. All other states allow the owner/operator to register in their own name or allow for the option to register the vehicle in the name of the owner/operator or motor carrier. The IRP governing board is currently considering sanctions against Kansas if the state does not eliminate this exception. Because of possible looming sanctions, the KMCA Board of Directors approved a policy to seek changes to the IRP registration requirements to allow optional registration depending on the negotiated agreement between the motor carrier and the owner/operator.

The bill before you changes the definition of "owner" on page 2, lines 8 -10, "in the event the commercial motor vehicle is subject to a lease with a driver, the lessee *or the lessor* shall be deemed the owner." This change eliminates our exception to the IRP.

In addition, New Section 1 of the bill allows for the registration of "converter gear" if such registration is done electronically, and a fee of \$1 for each converter gear is paid to the State. Kansas will issue the carrier a unique number to be displayed on the converter gear. No license plate will be issued. This change will allow Kansas based carriers the ability to register converter gears in their base state to be in compliance with the laws of Alabama, Pennsylvania, Indiana, Tennessee and Florida.

House Transportation  
Date: 3-11-03  
Attachment # 1

**Senate Bill No. 130 – March 11, 2003 – Page2**

We wish to publicly thank the Division of Vehicles for their help in drafting this legislation and for their support of SB 130.

The Kansas Motor Carriers Association respectfully requests that the House Transportation Committee act favorably on SB 130. We thank you for the opportunity to appear before you today, and would be pleased to respond to any questions you may have.



# K A N S A S

JOAN WAGNON, SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

DEPARTMENT OF REVENUE  
DIVISION OF VEHICLES

**TO:** Chairman Gary Hayzlett  
Members of the House Transportation Committee

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

**DATE:** March 11, 2003

**SUBJECT:** Senate Bill 130 – Owner-Operator & Converter Gear

Mr. Chairman, members of the committee, I am Sheila Walker, Director of the Kansas Department of Revenue's Division of Vehicles. Thank you for allowing me to testify in support of Senate Bill 130. This bill amends the definition of "owner" of apportioned vehicles and provides for the registration of "converter gear" in Kansas.

Apportioned vehicles in Kansas are registered under the International Registration Plan (IRP). The IRP is a registration reciprocity agreement among 59 jurisdictions in the United States and Canada that provides for payment of license fees based on miles operated in each jurisdiction. Motor carriers register their fleet with a one-step registration. Under the IRP, motor carriers can operate on an inter-jurisdictional basis in any IRP member jurisdiction displayed on the cab card, provided they have obtained proper operating authority.

Kansas has been a member of the International Registration Plan for 22 years.

The IRP governing board is considering sanctions against Kansas because we have an exception pertaining to owner-operators. Current Kansas law (8-1,100) requires that an owner-operator, who leases a vehicle to a motor carrier for 30-days or more, register the vehicle in the motor carrier's name. All other states allow the option of registering the vehicle in the name of the motor carrier or the owner-operator. By changing the definition in Senate Bill 130 (Page 2, Lines 1-10), the vehicle could be registered in the carrier's name or the owner's name.

The Kansas Department of Revenue's Division of Vehicles supports this change. Not only do we want to avoid IRP sanctions, the state may also benefit financially if the number of vehicles registered in Kansas increases.

Converter gear is newly defined as an auxiliary axle assembly having a fifth wheel used for the purpose of converting a semi-trailer to a full trailer (Page 3, Lines 8-11, Section (p)). The New Section in this bill (Page 1, Lines 13-18) allows converter gear to be registered with our Motor Carrier Services Bureau, provided the registration is submitted electronically.

Senate Bill 130 – Owner-Operator & Converter Gear

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Converter gear registration may generate an additional \$20,000 a year according to industry estimates. In addition, several large Kansas-based carriers have a desire to register converter gear in Kansas so law enforcement in other jurisdictions will find them in compliance.

In closing, the Kansas Department of Revenue's Division of Vehicles would appreciate your favorable consideration of Senate Bill 130.