

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 8:40 A.M. on February 2, 2005 in Room 527-S of the Capitol.

All members were present except:

Mark Gilstrap- excused
Anthony Hensley- excused

Committee staff present:

Bruce Kinzie, Revisors of Statutes
Maggie Breen, Committee Secretary

Conferees appearing before the committee:

Daryl Lutz, Butler County Engineer
Bob Totten, Kansas Contractors Association
Ron Gaches, Experian
Zena Bania, Experian
Toni Roberts, Department of Revenue, Division of Vehicles

Others attending:

See attached list.

SB 94: Roads and highways, contracts

Proponent:

Daryl Lutz, Butler County Engineer, said basically the purpose of the bill is to update the county road bidding statutes to mirror the changes made last year (**SB 449**) to the bidding statutes for bridge projects and benefit district projects. In **SB 94**, they are proposing the reduction of the bid guarantees from 10% to 5% for contractors bidding on projects; increasing the progress payments from 90% of completed work to 95% of completed work for interim projects payments; and allowing bids to be opened by a designee of the Board of County Commissioners as an alternate to being opened in the presence of the Board of County Commissioners, provided that contract documents could be reviewed by a County Counselor as an alternate to the County Attorney. That is basically the mirroring portion of the bill. In addition, after further deliberation by the Kansas County Highway Association, led by the Legislative Committee, proposals were developed in close collaboration with KDOT. This year there are a couple of technical corrections to the current statutes; to add the word "date" to clarify when bids are to be opened; allows the flexibility to award a contract, as long as it's within 110% of the engineer's projected cost; to do the 95% completion work in lieu of 90%; and increase the turn around time from 10 days to 30 days once the contract has been awarded. That's the jest of **SB 94**. (Attachment 1)

Chairman Donovan said since they were so closely associated, he would also hear the testimony on **SB 124 - Roads and highways, classification of** at this time.

Proponent:

Daryl Lutz, said **SB 124** is additional work related to Chapter 68 plus other scattered statutes that have to do with road classifications. The primary thing they are trying to do is go through the statutes and strike out "secondary road(s)" and replace the wording with appropriate terminology given today's federal highway legislation as well as KDOT's. "Secondary" would be replaced with "major collector." It also updates the definitions of rural classifications for the three different county road systems; amends and updates Article 17 of Chapter 68 which defines the process of establishing major collector roads; and amends the road classifications in the sections that provide federal aid funding for County road improvement projects. In addition to the general changes made in the bill, they found that they missed a number of minor technical changes revisions and have an amendment for them. (Attachment 2)

Senator Palmer asked if there were any major policy changes in the bills?. Mr. Lutz said there are policy changes in **SB 94** that he doesn't consider major. They are extending the turn around time from 10 days to 30 days, increasing progress payments from 90% to 95% of completed work, and allowing a bid within 110% of engineer's estimate. Senator Palmer asked why the changes need to be made? First, the cleanup was started last year and these road bidding statutes were just overlooked. And secondly, in today's environment, with bid bonds and project contract bonds progress payments, they just thinks these changes are more reasonable. The most significant thing is the 10% over engineer's estimates.

CONTINUATION SHEET

MINUTES OF THE Senate Transportation Committee at 8:40 A.M. on February 2, 2005 in Room 527-S of the Capitol.

Judy Mohler **SB 94 and SB 124** Written - Proponent (Attachment 3)

KDOT Written **SB 124** Written - Proponent (Attachment 4)

Proponent:

Bob Totten, Public Affairs Director, Kansas Contractors Association, said they concur with **SB 94**. They like what's in the bill, especially allowing the flexibility to award a contract within 10% of the county engineer's estimated cost of the work. That is very helpful to them. They are not so crazy about some of the other things mentioned on page 1, in 36, and 37 which talks about the qualified bidders as defined in the contract documents. They are leery of the wording. Also, the contractors want the signed contract as soon as possible and don't want to see the extra 20 days for turnaround time after the contract has been awarded. Overall they support the bill. (Attachment 5)

SB 119 - Division of vehicles records, statistical reports

Proponents:

Ron Gaches, representing Experian, stated that Kansas provides for very limited use of motor vehicle record information collected by the Division of Motor Vehicles. This is due to a privacy issue. Kansas provides a limited number of exceptions to the general rule of confidentiality, which are detailed in K.S.A. 2004 Supp. 74-2012 (c). **SB 119** proposes one additional exception: (F) Assisting businesses in producing motor vehicle title and/or motor vehicle registration statistical reports, so long as personal information is not published, re-disclosed or used to contact individuals. The purpose of the exception is to allow use of motor vehicle title and registration information for statistical reports attractive to new and used car dealers, parts manufactures, insurance companies, and financial institutions. The statistical reports authorized by the bill would not include information specific to any individual, vehicle or address. (Attachment 6)

Zena Bania, Experian Automotive, a business unit of Experian Information Solutions, which is one of the three major credit bureaus in the U.S. supports the bill. They have over 30 years experience in maintaining highly regulate and highly sensitive credit information on consumers throughout the U.S. They know how to maintain information and the privacy of that information. Experian has a 10 year contractual business relationship with the Kansas Department of Revenue, Division of Motor Vehicles. **SB 119** would permit Experian Automotive to use Kansas motor vehicle records solely in a statistical manner for the marketing purposes already stated. Their prospective customers could benefit greatly from the statistical information.

(Attachment 7)

Neutral:

Toni Roberts, Division of Motor Vehicles, said that **SB119** gives the Secretary of Revenue the option to enter into a lesser rate contract for businesses who wish to compile statistical reports on title and registration data, as long as the personal information is not published, re-disclosed, or used to contact individuals. Without the option to enter into a lesser rate contract, it is cost prohibitive for companies, such as Experian, to purchase this data for title and registration statistical purposes. In this case, the company Experian already has the data and they simply can't compile it for statistical reasons because of the contract in place. They don't oppose the bill, they think something good can come from.

(Attachment 8)

Final Action

Chairman Donovan said the committee would work **SB 60 - All-terrain vehicles, defined** and reminded the committee that after the bill was written it was discovered that the width needed to be increased to 48 inches and the weight to 1,000 pounds. Senator Petersen moved to amend the bill making these two changes. Senator O'Connor seconded the motion. Motion carried. Senator Wilson moved to pass the bill as amended. Senator O'Connor seconded the motion. Motion carried. Chairman Donovan asked Senator Petersen to carry the bill.

Approval of minutes

Senator O'Connor moved to approve the committee minutes for January 13, 18, 20, 25, and February 1, as written. Senator Schmidt seconded the motion. Motion carried.

The meeting adjourned at 9:24 a.m.

The next meeting is scheduled for February 3, 2005.

**SENATE TRANSPORTATION COMMITTEE
GUEST LIST**

DATE: February 2, 2005

NAME	REPRESENTING
Tom Caches	Experien
Zena Davis	Experien
Whitney Dameron	KS Automobile Dealers Assn.
Darryl Lutz	Ks Co. Highway Assn.
Ken Gudenkaut	KDOT
Larry Ertig	KDOT
K.A. Thompson	Scanlon Engineering
CARMEN AUDLITT	KDOR
Toni Roberts	KDOR
MATT MOSER	DIV OF VEHICLES
LARRY R BAER	LKW
Deann Williams	KmCA
Gavin Young	DFA
Woody Moses	ICAPA
Josie Baugher	KGC

TESTIMONY

SB 94

RE: An act relating to roads and highways; concerning bids.

Senate Transportation Committee Senator Les Donovan, Chairman

Presented by: Darryl C. Lutz, P.E., Butler County Engineer & Chairman of the KCHA
Legislative Committee

February 2, 2005

To: Mr. Chairman and Members of the Senate Transportation Committee

I am here today to testify in support of SB 94.

I am Darryl Lutz, P.E., Director of Public Works and County Engineer for Butler County. I have served in this position for 13 years. I am a member of the Kansas County Highway Association (KCHA) and currently Chair the Legislative Committee of that organization. The KCHA is an affiliate organization of the Kansas Association of Counties (KAC) and is a statewide organization of County Engineers, Public Works Directors, Highway Administrators, and other highway officials. The primary purpose of the KCHA is to provide technical programs and educational opportunities for its membership, to advance their knowledge and skills related County road, bridge and public works functions, and to develop their skills as administrators of their respective County departments.

The Kansas County Highway Association (KCHA) began work over 3 years ago to revise and update the sections of Chapter 68 of the Kansas Statutes that relate to County road and bridge issues. The goal of the KCHA's work is to repeal statutes that are conflicting with other statutes or are outdated and to revise other statutes to appropriately address current issues. The KCHA has worked closely with the KDOT to develop the proposals that resulted in drafting this bill. Work to update the County road statutes has been endorsed by the Kansas Association of Counties and is included in the adopted 2004 legislative platform. SB 94 has been introduced by the Senate Transportation Committee at the request of the Kansas County Highway Association.

Senate Bill 94 proposes the following:

- Compliment and complete legislation signed into law (SB 449) in 2004. SB 449 updated bidding statutes for benefit district projects and County bridge projects. SB 449 provided that bid guarantees be 5% in lieu of 10%, provided that bids could be opened by the County Commission or their designee, stipulated that projects are to be bid by qualified bidders, provided that contractors are given 30 days in lieu of 10 days to return contracts and bonds upon award of work under said contract, allowed county counselors to review contracts and contract

documents as an alternate to county attorneys, and allowed 95% percent of completed work to be paid during the progress of work.

- Section 1 – Makes revisions to County **road** bidding statutes.
 - Eliminates the requirement of an estimate to be filed with the county clerk prior to bidding of work.
 - Requires bidders to be qualified.
 - Clarifies that bids are to be opened on the *date* named in the advertisement as well as at the place and hour advertised.
 - Allows Counties to award a contract as long as the lowest responsible bid is not considered too high and as long as the bid does not exceed **110%** of the County Engineer's estimate. Currently the law stipulates that work shall not be awarded and the project must be re-bid if the lowest responsible bid exceeds the County Engineer's estimate. This proposal gives Counties greater flexibility to still award a contract as long as the bid is reasonably close to the County Engineer's estimate. This proposal recognizes that County Engineer's for various reasons may err in estimating project costs, will prevent the loss of valuable time to re-advertise and re-bid projects and will protect the work product of contractors who expend considerable time, cost and effort to develop competitive project bids.
 - Allows the county counselor to meet with the Board of County Commissioners related to letting of contracts as an alternate to the County Attorney.
 - Allows progress payments to be paid for **95%** of completed work in lieu of 90%.
- Section 2 – Modifies 68-1115, the bridge bidding statutes, to similarly allow contracts for **bridge** projects to be awarded as long as the lowest responsible bid is within **110%** of the County Engineer's estimate.

Thank you for consideration of SB 94. I ask that this bill be passed favorably out of committee as presented. I stand ready for questions from the committee.

TESTIMONY

SB 124

RE: An act relating to roads and highways; concerning road classifications.

Senate Transportation Committee Senator Les Donovan, Chairman

Presented by: Darryl C. Lutz, P.E., Butler County Engineer & Chairman of the KCHA
Legislative Committee

February 2, 2005

To: Mr. Chairman and Members of the Senate Transportation Committee

I am here today to testify in support of SB 124. I also will propose minor technical changes to the bill as originally drafted.

I am Darryl Lutz, P.E., Director of Public Works and County Engineer for Butler County. I have served in this position for 13 years. I am a member of the Kansas County Highway Association (KCHA) and currently Chair the Legislative Committee of that organization. The KCHA is an affiliate organization of the Kansas Association of Counties (KAC) and is a statewide organization of County Engineers, Public Works Directors, Highway Administrators, and other highway officials. The primary purpose of the KCHA is to provide technical programs and educational opportunities for its membership, to advance their knowledge and skills related County road, bridge and public works functions, and to develop their skills as administrators of their respective County departments.

The Kansas County Highway Association (KCHA) began work over 3 years ago to revise and update the sections of Chapter 68 of the Kansas Statutes that relate to County road and bridge issues. The goal of the KCHA's work is to repeal statutes that are conflicting with other statutes or are outdated and to revise other statutes to appropriately address current issues. The KCHA has worked closely with the KDOT to develop the proposals that resulted in drafting this bill. Work to update the County road statutes has been endorsed by the Kansas Association of Counties and is included in the adopted 2004 legislative platform. SB 124 has been introduced by the Senate Transportation Committee at the request of the Kansas County Highway Association.

Senate Bill 124 primarily proposes the following:

- Update the old designation of "secondary roads" to align with the current designation "major collector" as currently recognized by the Federal Highway Administration and by KDOT.
- Updates the definitions for rural road classifications for the 3 different county road systems which include the non-county unit (county-township) road system found in K.S.A. 68-506; the county unit road system found in K.S.A. 68-516; and, the general county rural highway system as found in K.S.A. 68-591.

- Amends and updates Article 17 of Chapter 68 which defines the process of establishing major collector roads.
- Amends the road classification names in the sections that provide federal aid funding for County road improvement projects.
- Amends the road classification names in the sections that set road and bridge width standards.
- Amends the road classification names in other miscellaneous sections of the statutes and includes clerical revisions as proposed by the Revisor of Statutes.

Section 1 – This section is an existing section found in K.S.A. 68-506. This section is being moved verbatim to a new section by itself.

Section 2 – This section makes clerical revisions to all the road definitions and changes the road classification name “secondary road” to the new name “major collector”.

Section 3 – This section is found in one of the Secretary of Transportation Articles of Chapter 68 which deals with distribution of federal aid funds to Counties. The only revision proposed is to change the term “secondary road” to “major collector roads or minor collector roads”.

Section 4 – This section updates the road classifications for roads under the non-county unit (county/township) road system. Additionally, the language proposed in Section 1 has been removed from this section.

Section 5 – This section deals with establishing maintenance agreements for county federal aid routes through cities under population 5000. The only revision proposed in this section is to change the term “secondary road” to “major collector road”.

Section 6 – This section updates the road classifications for roads under the county unit road system.

Section 7 – This section makes a clerical revision to the current statute and expands the jurisdiction for establishing minimum standards for the various classes of roads to include the state as well as the federal level.

Section 8 – This section updates the road classifications for roads under the general county rural highway system.

Section 9 – This section establishes minimum widths for culverts and bridges on local roads. The revisions in this section include changing the term “secondary road” to “major collector road” and changes the authority for building below these standards from the Secretary of Transportation to the County Engineer. This change was proposed by KDOT with concurrence by the KCHA.

Section 10 – This is an existing miscellaneous section regarding loans for county bridges over navigable streams. The only revision proposed in this section is to change the term “secondary road” to “major collector road”.

Sections 11, 12 & 13 – These sections deal with establishing the federal aid road system in counties. The minimum requirements for these roads are being tied to the federal definitions and the term “secondary road” is being changed to “major collector road”. These revisions were made with considerable input and collaboration from KDOT.

Section 14 repeals the existing statutes being amended.

Section 15 is the enacting section of this bill.

Following are the minor technical changes:

1. In the first paragraph of this Senate Bill in the new Section 1. on lines 16 and 17 the words “or highway” should be deleted. The revision should state “Whenever any county major collector road ~~or highway~~ or county minor collector road ~~or highway~~ is located.....” This makes the language consistent with the definitions for the three governance types. Refer to Sections. 4, 6, & 8.
2. In the third paragraph of Senate Bill 124, Sec. 3. of 68-402b. (a), the second sentence should be revised to replace the words secondary road by state highway. The revision would then state “If any county doesthen the secretary of transportation may allocate such federal-aid funds to other counties or to the state ~~secondary road~~ *highway* system, and the secretarydeems necessary.” The State no longer has a secondary road system.
3. Senate Bill 124 in 68-516 Sec. 6. Paragraph (3) should be amended to read ““local service roads” which shall include all public roads..... not designated as county minor collector roads or highways and not included in the state highway system *or other state or federal systems.*” The words “*or other state or federal systems*” should be added.
4. Senate Bill 124 in 68-592, Sec. 8. (a) part (3) should also be amended to read ““local service roads” which shall include all public roads and highwaysand not designated as county minor collector roads ~~or highways~~ and not included in the state highway system *or other state or federal systems.*” The words “or highways” should be deleted and “or other state or federal systems” should be added.
5. Senate Bill 124, Sec. 11. the first paragraph should also be amended to read “K.S.A. 68-1701 is hereby amended to read as follows: 68-1701. There shall be designated in the state of Kansas a system of roads *and highways* which, for the purposes of this act.....” The words “and highways” should be added.

Thank you for consideration of SB 124. I ask that this bill be passed favorably out of committee with the minor technical changes as presented. I stand ready for questions from the committee.



WRITTEN TESTIMONY
Before the Senate Transportation Committee
SB 94 and SB 124
Feb. 2, 2005

By Judy A. Moler, General Counsel/Legislative Services Director

Thank you Chairman Donovan and Members of the Senate Transportation Committee for allowing the Kansas Association of Counties to provide written testimony on SB 94 and SB 124

The Kansas Association of Counties is in support of both of the above mentioned bills. These bills are the result of much work with the Kansas County Highway Association, Kansas Association of Counties and KDOT. These bills are the result of many hours of work on the part of the highway association to bring Chapter 68 of the Kansas Statutes Annotated into the 21st century. Many of these statutes have not been examined for over 100 years and are in some instances obsolete. The Kansas Association of Counties supports the bills as you have them before you.

The Kansas Association of Counties urges you to pass SB 94 and SB 124.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to Randy Allen or Judy Moler by calling (785) 272-2585.

300 SW 8th Avenue
3rd Floor
Topeka, KS 66603-3912
785•272•2585
Fax 785•272•3585

SENATE TRANSPORTATION
2-02-05
ATTACHMENT 3



KANSAS

DEPARTMENT OF TRANSPORTATION
DEB MILLER, SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

WRITTEN TESTIMONY BEFORE THE SENATE TRANSPORTATION COMMITTEE

REGARDING SENATE BILL 124 RELATING TO ROADS AND HIGHWAYS

February 2, 2005

The Kansas Department of Transportation (KDOT) is providing written testimony in support of Senate Bill 124. Senate Bill 124 revises twelve (12) existing statutes in Chapter 68 – Roads and Bridges by updating with current terminology the classification of county and township roads. The main purpose for the revisions is to update road classifications and make them consistent with those used by the Federal Highway Administration. The revisions do not change the intent or purpose for the twelve existing statutes. The major revision proposed by Senate Bill 124 is the replacement of the term that identified a secondary road and where stated is replaced by county major collector. One statute K.S.A. 2004 Supp. 68-1702 is repealed.

Four existing statutes provide route classification definitions. Proposed revisions to K.S.A. 68 – 101 will be to the general road classification definitions. Three additional statutes proposed revisions are to classification definitions for each of the Kansas county road governance types. K.S. A. 68-506 provides classifications for county-township counties or counties that have not adopted the county unit road system, 68-516 provides classifications for county unit road counties, and 68-592 provides classifications for general county rural highway system counties. The proposed revisions identify within each governance type a county road system classification hierarchy generally described as follows: major collector, minor collector, and local.

KDOT has worked closely with the Kansas County Highway Association (KCHA) to develop the proposals that resulted in drafting this bill. The proposed revisions will make the classification of county roads consistent with functional classification requirements KDOT administers for the Federal Highway Administration. In summary KDOT supports passage of Senate Bill 124.

OFFICE OF THE SECRETARY OF TRANSPORTATION
DWIGHT D. EISENHOWER STATE OFFICE BUILDING
700 S.W. HARRISON STREET, TOPEKA, KS 66603-3754
PUBLIC ACCESS AT NORTH ENTRANCE OF BUILDING
VOICE 785-296-3461 TTY 785-296-3585 FAX 785-296-1095 <http://>

SENATE TRANSPORTATION
2-02-05
ATTACHMENT 4

THE KANSAS CONTRACTORS ASSOCIATION, INC.



OFFICERS

MARY SULLIVAN, President
Kansas City, Kansas

CORKY BEACHNER, Vice President
St. Paul, Kansas

MIKE MORRAND, Treasurer
Paola, Kansas

STAFF

DAN RAMLOW, Executive Vice President
BOB TOTTEN, Public Affairs Director
JIM RAMSAY, Member Services Director

316 SW 33RD ST • PO BOX 5061
TOPEKA KS 66605-0061
TEL (785) 266-4152
FAX (785) 266-6191
kca@ink.org
www.accesskansas.org/kca

DIRECTORS

DON BEUERLEIN
Topeka, Kansas

KIM BROWN
Salina, Kansas

DON CLARKSON
Kansas City, Missouri

ROD HAMM
Perry, Kansas

KEN JOHNSON
Hays, Kansas

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Kingman, Kansas

LARRY O'DONNELL
Overland Park, Kansas

TOM RITCHIE
Wichita, Kansas

KIP SPRAY
Great Bend, Kansas

FRED WIMAN
Leawood, Kansas

Testimony

By the Kansas Contractors Association

before the Senate Transportation Committee regarding SB 94

February 2, 2005

Mr. Chairman and members of the Senate Transportation Committee, I am Bob Totten, Public Affairs Director for the Kansas Contractors Association. Our organization **represents over 400 companies** who are involved in the construction of highways and water treatment facilities in Kansas and the Midwest.

Today, I want to thank you for allowing me to testify in favor of Senate Bill 94. We support this measure as it allows more flexibility to the counties in accepting bids on county projects. Presently counties must accept the lowest and best bid as long as the bid is below or at the engineer's estimate. This has been a problem in some cases as sometimes the engineer's estimate is too low and the project has to be rebid. That means time and expense to the county as well as the contractor who has gone out and researched the project to submit the bid. This measure allows the county to accept bids at a price that is up to over 10 percent of the engineers' estimate and we see this as a good

solution and similar to what KDOT does in its own contracts. This helps all involved as the county has more discretion in accepting bids. As you might understand, contractors hate to reveal their prices at a public letting only to learn later the bids are rejected. It costs everyone money to rebid a project; the county, the contractor and ultimately the taxpayer. This bill changes that situation.

In other parts of the bill we oppose two other changes proposed. In lines 36 and 37 on page one, we like the present language and do not want to see any changes there. What I am referring to is the language that says all qualified bidders as defined in the project contract documents. That language appears to us that it would allow county commissioners to set up who is qualified and we fear that it would limit who could bid on a job. What happens if the county commissioners decide only local contractors could bid a job. That seems to go against the idea of free, open competition.

We also like to have signed contract as soon as possible...so our members can get t to work. Unfortunately, on page 2 in lines 11 and 12, it appears the county wants to increase the wait to sign or award a contract to 30 days instead of the present 10. Once a contract is awarded, our members like to sign the deal as soon as possible and giving an extra 20 days is something we don't want to see. Delaying matters an additional 3 weeks is just not in our best interests as there might be some other work our members may want to consider to bid. Not having a signed contract worries them a lot.

Overall, we support the bill but we would like to encourage to hold off on the changes mentioned in the other sections of the bill. I will be glad to answer your questions.



GACHES, BRADEN, BARBEE & ASSOCIATES

PUBLIC AFFAIRS & ASSOCIATION MANAGEMENT

825 S. Kansas Avenue, Suite 500 ♦ Topeka, Kansas 66612 ♦ Phone: (785) 233-4512 ♦ Fax: (785) 233-2206

**Senate Transportation Committee
Testimony of Experian
Supporting Senate Bill 119 – Concerning Records of DMV
Presented by Ron Gaches, Gaches, Braden, Barbee & Associates
Wednesday, February 2, 2005**

Thank you Chairman Donovan for this opportunity to support enactment of SB 119. This bill amends current law regarding permissible uses of motor vehicle records of the Division of Motor Vehicles.

As a general rule, Kansas provides for very limited public use of motor vehicle record information collected by the Division of Motor Vehicles. This is largely a privacy issue. Confidentiality of personal information is the standard in Kansas law.

Kansas law provides for a limited number of exceptions to the general rule of confidentiality, which are detailed in KSA 2004 Supp. 74-2012 (c). The general rule provides that:

“lists of persons’ names and addresses contained in or derived from motor vehicle records shall not be sold, given, or received for the purposes prohibited by KSA 2004 Supp. 45-230, and amendments there to, except that: ...”

The law then provides for a limited number of specific exceptions to the general rule:

- (A) Assisting manufacturers of motor vehicles ...
- (B) Assisting an insurer ...
- (C) Assisting the selective service system ...
- (D) Assisting any federal, state or local agency ...
- (E) Assisting businesses with verification or reporting of information ...

SB 119 proposes an additional exception:

- (F) Assisting businesses in producing motor vehicle title or motor vehicle registration, or both, statistical reports, so long as personal information is not published, redisclosed or used to contact individuals.

The purpose of this exception is to allow use of motor vehicle title and registration information for commercial purposes beyond that mentioned in (A), which is limited to use by manufacturers of motor vehicles. The same types of statistical reports attractive to manufacturers are of interest to other related interests such as new and used car dealers, parts manufacturers, insurance companies, and financial institutions.

Nothing in the proposed language would permit the public release of any personal information. The statistical reports authorized by the bill would not include information specific to any individual, vehicle or address.

Experian provides motor vehicle registration statistical reports to auto manufacturers as provided (A) of the current law. Enactment of SB 119 will allow Experian and other firms to enter into agreements with the Division of Motor Vehicles to provide similar statistical reports to other businesses.

With me this morning is Zena Bania of Experian, who will describe in more detail the company, the market for motor vehicle title and registration information, and the steps they take to ensure the confidentiality of all personal information.

Senate Transportation Committee
Supporting Senate Bill 119 – Concerning Records of DMV
Presented by Zena Bania, Experian
Wednesday, February 2, 2005

Mr. Chairman and Committee members, I want to thank you for the opportunity to speak with you this morning regarding SB 119. In follow-up to Mr. Gaches statement, my name is Zena Bania and I am an employee of Experian Automotive, a business unit of Experian Information Solutions, Inc. Experian has over 30 years experience in maintaining highly regulated and highly sensitive credit information on consumers through the US. As stewards of personal information, we take our responsibility very seriously to protect the information we maintain.

Experian entered the automotive industry approximately 10 years ago at which time we began acquiring motor vehicle records from all US jurisdictions. Experian Automotive created a national motor vehicle database, which maintains motor vehicle records from all US jurisdictions. This database allows us to provide motor vehicle information for recall services to manufacturers, vehicle history reports to auto dealers and consumers, and other permissible uses as allowed in the Federal Driver's Privacy Protection Act, state laws, and contractual terms.

The database technology we utilize restricts release of data from jurisdiction to jurisdiction, based on the State's requirements. Additionally, we have a quality assurance team that is responsible for making sure information is not disclosed inappropriately.

Experian has a 10-year business relationship with the Kansas Division of Motor Vehicles where we acquire title and registration records and use the information solely as permitted by Kansas law and our contractual agreement with the Department of Revenue.

As Mr. Gaches stated, SB 119 would permit Experian Automotive to use Kansas motor vehicle records solely in a statistical manner. The market for this information would include financial institutions, automotive internet portals, parts manufacturers and auto dealerships.

The benefits these customers would gain by knowing statistically what types of vehicles are in their service area include maintaining efficient parts inventory, understanding the service needs of their customers based on where vehicles are located geographically, and for dealerships that may wish to expand to know their market opportunities.

Experian on a corporate level has a compliance department with staff dedicated to Automotive. These employees completely understand the Federal Driver's Privacy Protection Act, Kansas laws and the contract Experian has with the Kansas Department of Revenue. Experian is also very proactive relating to privacy issues and has worked closely with various privacy driven consumer organizations.

This concludes my statement. Thank you very much for your time.



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
DIVISION OF VEHICLES

KATHLEEN SEBELIUS, GOVERNOR

Testimony on SB119
to
The Senate Committee on Transportation
by Carmen Alldritt
Director
Division of Vehicles
February 2, 2005

Chairman Donovan and Members of the Committee:

Senate Bill 119 allows the Secretary of Revenue to enter into a lesser rate with businesses who wish to create motor vehicle title or motor vehicle registration statistical reports as long as the personal information is not published, redisclosed or used to contact individuals.

Utilizing motor vehicle title and registration records to produce statistical reports is allowed under the Driver's Privacy Protection Act.

Businesses who currently receive vehicle title and registration records are limited to using the data for assisting manufacturers and compiling motor vehicle history reports. Currently, motor vehicle title and motor vehicle registration data is not available under a lesser rate contract for assisting businesses create statistical reports.

The department does not oppose this bill and appreciates the opportunity to work with businesses on legislative changes.

I would be happy to address any questions you have.