

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 8:30 A.M. on February 7 in Room 527-S of the Capitol.

All members were present except:

Senator Pat Apple - Excused
Senator Anthony Hensley - Excused

Committee staff present:

Hank Avila, Kansas Legislative Research Department
Bruce Kinzie, Revisors of Statutes
Maggie Breen, Committee Secretary

Conferees appearing before the committee:

Don McNeeley, Kansas Automobile Dealers Association
Daryl C. Lutz, P.E., Butler County Engineer
Carmen Alldritt, Director of Motor Vehicles
William Miller, Midwest Crane and Rigging

Others attending:

See attached list.

Chairman Donovan opened the hearing on SB 496 - Notice of security interest, vehicles.

Don McNeeley, Kansas Automobile Dealers Association, appeared in support of SB 496 to extend the time period for which a creditor can perfect a security interest in a motor vehicle from 20 days to 30 days. It conforms Kansas law with the 2005 revision to the Federal Bankruptcy Code. (Attachment 1)

Chairman Donovan closed the hearing on SB 496 and opened the hearing on:

SB 510 - Road and highways, classification thereof.

Daryl C. Lutz, Chairman of the Kansas County Highway Association (KCHA), and Butler County Engineer, said KCHA began work 4 years ago to revise and update sections of chapter 68 of Kansas statutes that relate to county road and bridge issues. SB 510 is a minor technical correction to the road classification statutes amended during the 2005 legislative session. (Attachment 2)

Chairman asked the committee their wishes on the bill.

Senator Wilson made a motion to pass SB 510 favorably and place it on the consent calendar. Senator Schmidt seconded the motion. The motion carried.

Chairman Donovan reopened the hearing on SB 374 - Registration of vehicles, self-propelled cranes.

Carmen Alldritt, Director of Motor Vehicles, said the department (DOR) introduced SB 374 to give a clear, definite, more current definition of a self-propelled crane. This would assist our motor carriers and help the Kansas Highway Patrol with enforcement issues. She presented a balloon that contained a definition as used by OSHA. It's also an issue of fairness. She just spoke with the KCC and she said its pretty fair to say that the one operator that has an issue with this bill is the only one in the state that has a problem with registration and or the Federal Motor Carrier Safety Regulation. She asked for support of SB 374 with the balloon amendment. (Attachment 3 & 4)

A discussion took place regarding the various types of cranes out there. A question came up as to what other states were doing. Mrs. Alldritt said Captain Meyer had the answer to that.

Captain Dan Meyer, Kansas Highway Patrol, said he only researched Missouri because that was the issue. Missouri has a special mobile equipment statute and a crane falls under it. They also have an Attorney General's opinion that falls back to how the vehicle is designed or manufactured. In his conversations with

CONTINUATION SHEET

MINUTES OF THE Senate Transportation Committee at 8:30 A.M. on February 7 in Room 527-S of the Capitol.

his counterparts in the Missouri Highway Patrol, if the vehicle in question was operated in Missouri, it would be subject to citation for not being registered.

William Miller, Midwest Crane and Rigging, said he's offering an amendment of the third page of a balloon he handed out. They are changing only one word, "constructed" to "used," that will hopefully eliminate all the problems. He's been in business for 25 years doing the very same thing. He agrees that the equipment has evolved, but it hasn't really evolved that much. The definition that Carmen Alldritt gave for a self-propelled crane is an OSHA definition, used primarily for the purpose of requirements for safety inspections by the operator and by a certified technicians to qualify that particular operator for a job site. The definition from OSHA is a very narrow definition and not relevant to what we're talking about here as far as the mobile crane operation. He operates in Missouri and has a store in St. Joseph. In 25 years of doing business, they have never had a citation in the state of Missouri and Missouri has reciprocity with Kansas. He said the issue is, if they were required to do the registration and licensing, there would be a major increase in his cost immediately and the costs would have to be passed on to the customers. In his case, working out of the Kansas City metro area, it would be an economical disadvantage. His option would be to move to Missouri. He said it's not, as it's been said, a one company issue. (Attachment 5 & 6)

Doug Lawrence, representing Polk Crane Service, pointed out that these cranes go to a location and stay there for long periods of time. They're not spending much time on streets and highways. He also mentioned that in Mr. Gilmore's testimony it's pointed out that just because a vehicle has a VIN # it doesn't make it capable of hauling anything.

Greg Polk, Polk Crane Services, Lawrence - Written Only (Attachment 7 & 8)

Allen Gilmore, Gilmore Crane Corporation of Topeka - Written Only (Attachment 9)

Chairman Donovan closed the hearing on **SB 374** and asked the committee's pleasure on **SB 496**.

Senator Schmidt made a motion to move SB 496 favorably. Senator Wilson seconded the motion. The motion carried.

The meeting adjourned at 9:27 a.m.

The next meeting is scheduled for February 9, 2006.



KANSAS AUTOMOBILE DEALERS ASSOCIATION

February 7, 2006

To: Chairman Les Donovan
and the Members of the Senate Transportation Committee

From: Don L. McNeely, KADA President

Re: SB 496 – Support

Chairman Donovan and Members of the Committee:

Good morning, my name is Don McNeely, and I serve as President of the Kansas Automobile Dealers Association. Mr. Whitney Damron, KADA's Legislative Counsel, also accompanies me this morning. I appear before you today in support of SB 496, which amends K.S.A. 8-135 to increase the period of time which a creditor can perfect a security interest in a motor vehicle from 20 to 30 days.

This is KADA's third request since 1997 to extend this time period for which to process an application for lien perfection and have that lien noted upon the vehicle's title to correspond to like amendments to the Federal Bankruptcy Code.

Senate Bill 496 simply conforms Kansas law with the 2005 revision to the Federal Bankruptcy Code. Currently, Kansas law, by operation, effectively cuts off 5 days which the bankruptcy code would essentially allow if state law did. The proposed amendment would avoid some of the bankruptcy losses which have occurred due to the lien perfection being made outside of the current 20-day period as provided by Kansas law, but within the 30-day time period allowed under federal law. The amendment would allow both the creditor, as well as the Division of Vehicles additional time in which to process the transaction and perfect the security interest upon the vehicle's title. Additionally, it only makes sense to have uniform law with respect to the bankruptcy courts, which operate in our state.

On behalf of the Kansas Automobile Dealers Association, I would like to thank the Committee for allowing me to appear this afternoon, and I respectfully request the Committee's approval of Senate Bill 496.

800 S.W. Jackson, Suite 1110 • Topeka, KS 66612
Telephone (785) 233-6456 • Fax (785) 233-1462

Senate Transportation Committee
February 7, 2006
Attachment 1

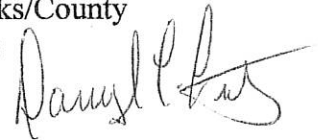
TESTIMONY

SB 510

An act relating to roads and highways; concerning the classification thereof; amending K.S.A. 2005 Supp. 68-101 and 68-402b and the repealing of the existing sections.

**Senate Transportation Committee
Senator Les Donovan, Chairman**

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



February 7, 2006

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

On behalf of the Kansas County Highway Association, I am here today to testify in support of SB 510 as introduced.

I have served Butler County in my present position of County Engineer/Director of Public Works for 14 years. I am a member of the Kansas County Highway Association (KCHA). I am a past president of the KCHA and have served as Chairman of the Legislative Committee of the KCHA since 2003. The KCHA is an affiliate organization of the Kansas Association of Counties and is a statewide organization of County Engineers, Public Works Directors, Highway Administrators, and other highway officials. The primary purpose of the organization is to provide technical programs and education opportunities for its membership, to advance their knowledge and skills related to County road, bridge and public works functions and to develop their skills as administrators of their respective County departments.

The KCHA began work over 4 years ago to revise and update sections of Chapter 68 of the Kansas Statutes that relate to County road and bridge issues. The goal is to modernize the statutes to appropriately address current issues and to repeal statutes that are conflicting with other statutes or are outdated. The KCHA has worked closely with KDOT and with other entities as appropriate to develop past and current legislative proposals. The KCHA continues work to develop additional proposals to update Chapter 68.

The only legislative proposal ready for presentation to the Kansas Legislature for this year is a minor technical correction to the road classification statutes amended during the 2005 legislative session. The technical corrections are being proposed after KDOT discovered an omission in the county road classification statutes and in the federal aid

funding statutes. The omissions could affect federal aid funding on certain highway projects adjacent to cities with urban areas or urbanized areas. Following is a description of the omission and the proposed statute modifications:

1. SB 124 passed into law in 2005 amended existing statutes to update road classifications and definitions for County roads that extend to city limits. For all counties with cities under 5000 population the statute as amended is okay. For counties with cities over 5000 population and have an urban area limit (urban boundary) or cities over 200,000 population that have an urbanized area limit (urbanized boundary) that is normally in most cases beyond the corporate city limits the statute needs to be modified. The modification as proposed in Section 1 in lines 31 through 34 of page 1 will extend the definition of a county road from the urban or urbanized limits to the city limits. Inside the urban or urbanized limits, the extended route may be classified as a collector, minor arterial or major arterial. In all cases that KDOT is aware of these routes have been and would continue to be county roads.
2. The second proposed modification found in Section 2 in lines 23 and 24 of page 2 will make these roads and other streets inside the urban or urbanized boundary eligible for federal aid should the county board of commissioners wish to use their federal aid funds on these roads or streets.

The proposed revisions above do not result in a policy change with regard to jurisdiction for county roads extending into the urban or urbanized areas or with regard to federal-aid funding of road improvement projects on these roads.

Thank you for consideration of SB 510. I respectfully ask that this bill be passed favorably out of committee. I stand ready for questions.

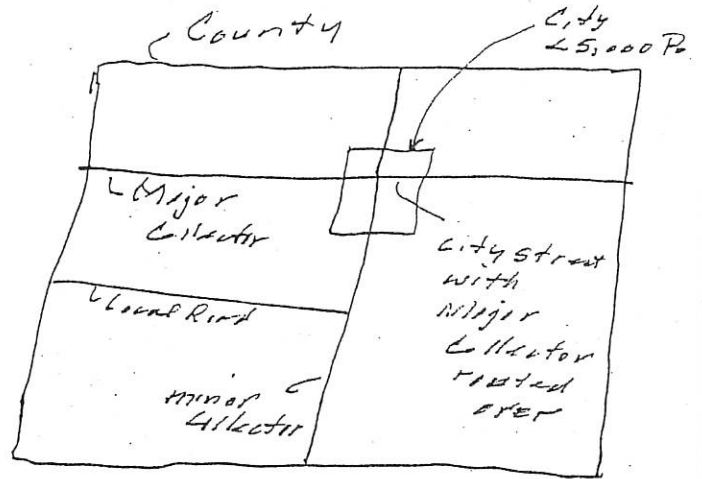
Explanation of proposed technical corrections to SB 124 that was passed in 2005

1. Cities with under 5,000 population do not have an urban limits. The functional classification that applies is the same as for

a. County.

a) County/State Rural FC

- Major Arterial
- Minor Arterial
- Major Collector
- Minor Collector
- Local



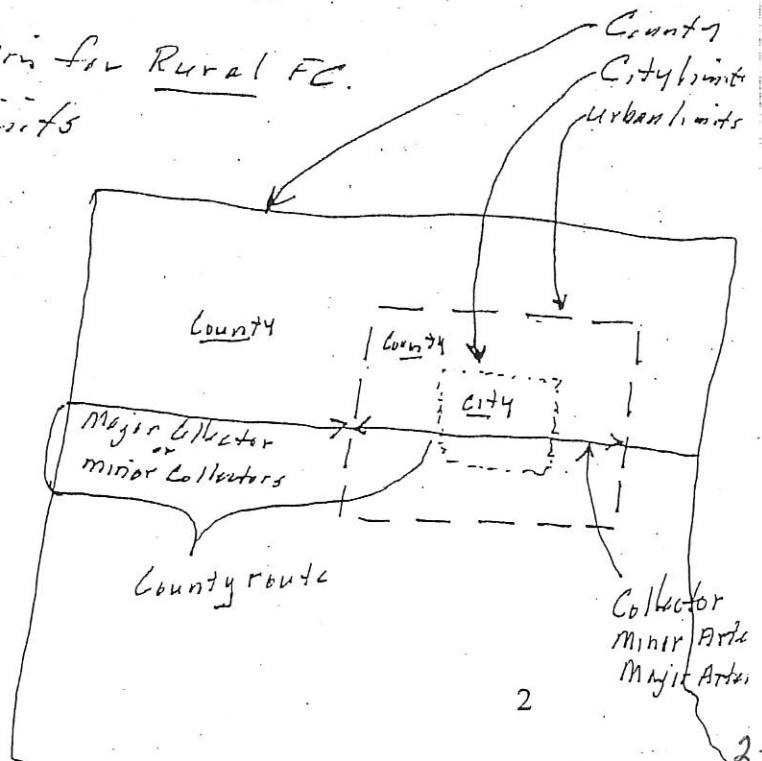
Note: Major collector, minor collectors & Locals are County or township roads.

2. Counties that have cities with over 5,000 population & have had urban or urbanized limits:

a) Above noted classification for Rural FC.

b) FC inside Urban Limits

- Major Arterial
- Minor Arterial
- Collector
- Local



SENATE BILL No. 374

By Committee on Transportation

1-17

9 AN ACT relating to the registration of vehicles; concerning self-pro-
10 pelled cranes; amending K.S.A. 8-128 and repealing the existing
11 section.

12
13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 8-128 is hereby amended to read as follows: 8-128.

15 (a) The following need not be registered under this act, any:

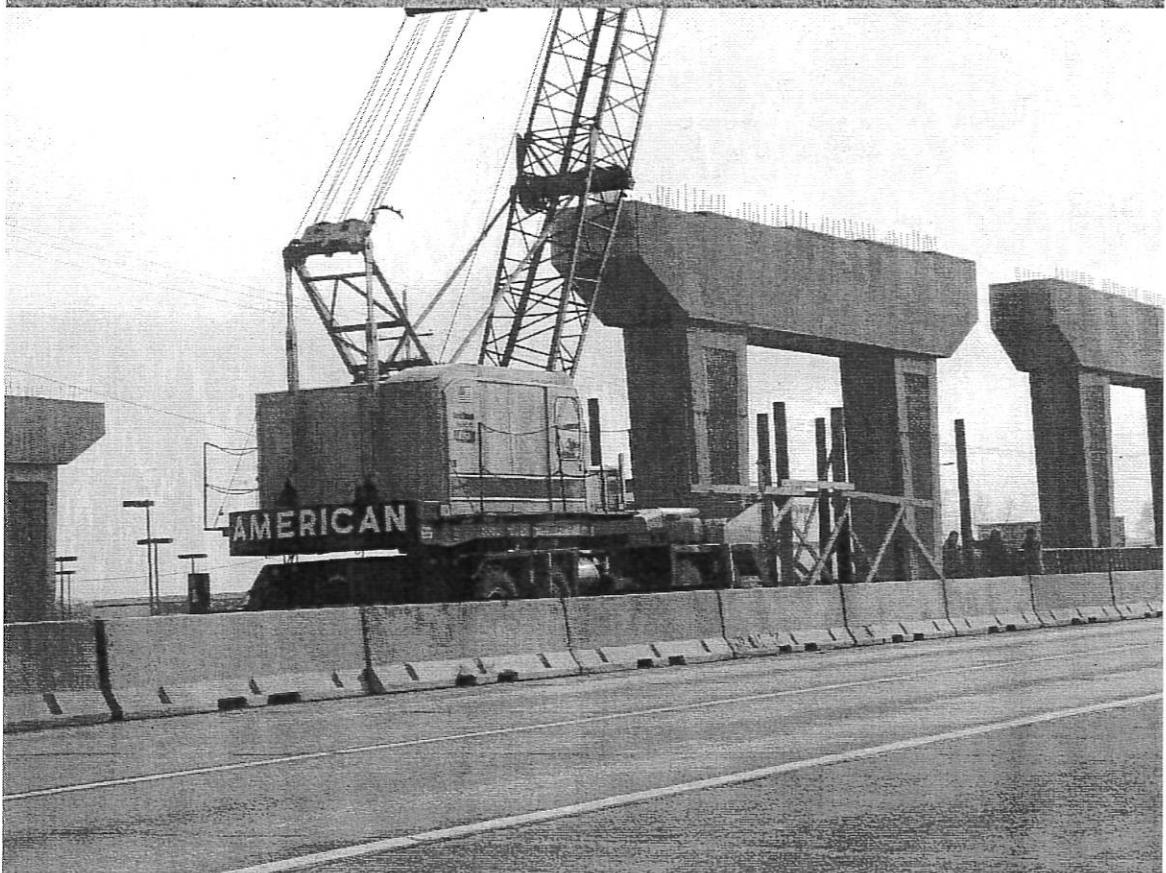
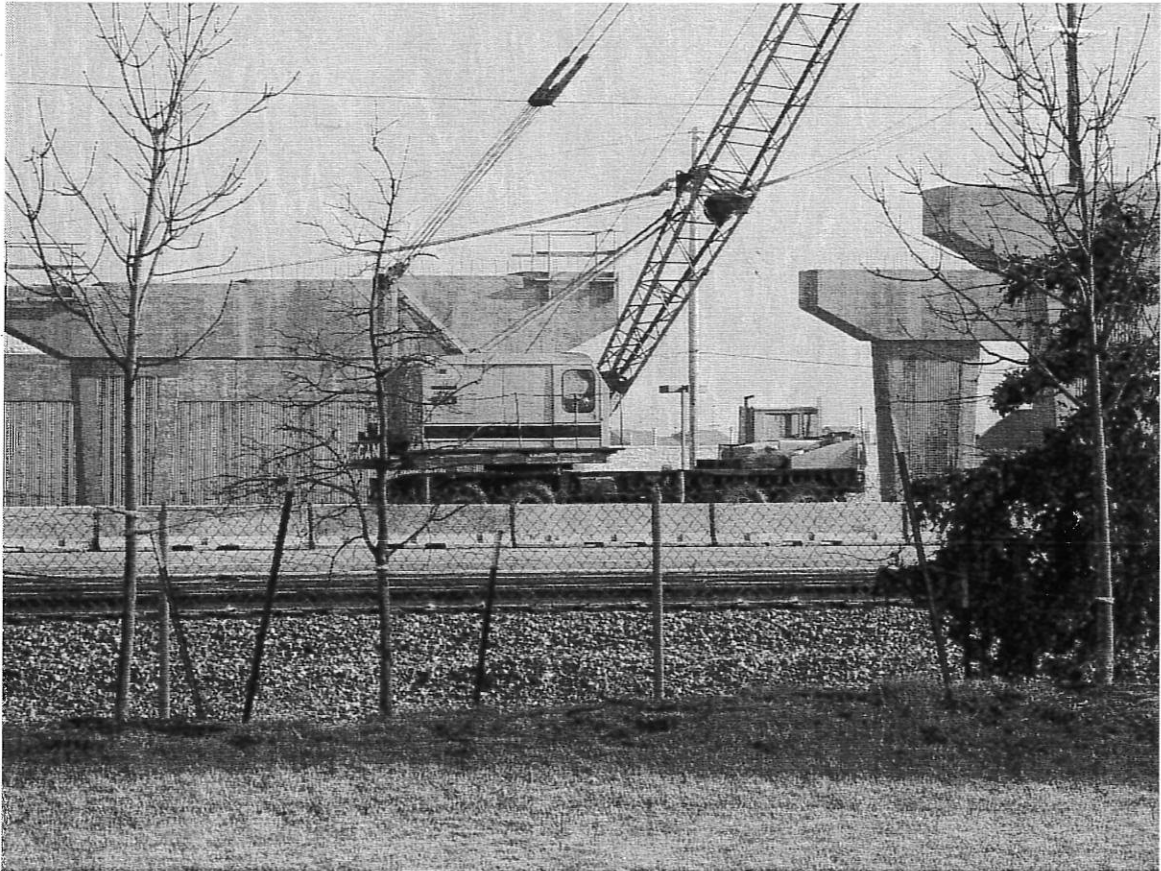
- 16 (1) Implement of husbandry;
- 17 (2) all-terrain vehicle;
- 18 (3) road roller or road machinery temporarily operated or moved
19 upon the highways;
- 20 (4) municipally owned fire truck;
- 21 (5) privately owned fire truck subject to a mutual aid agreement with
22 a municipality;
- 23 (6) school bus owned and operated by a school district or a nonpublic
24 school which has the name of the municipality, school district or non-
25 public school plainly painted thereon;
- 26 (7) farm trailer used in carrying not more than 6,000 pounds owned
27 by a person engaged in farming, which trailer is used exclusively by the
28 owner to transport agricultural products produced by such owner or com-
29 modities purchased by the owner for use on the farm owned or rented
30 by the owner of such trailer and the weight of any such farm trailer, plus
31 the cargo weight of 6,000 pounds or less, shall not be considered in de-
32 termining the gross weight for which the truck or truck tractor propelling
33 the same shall be registered; or

34 (8) farm trailer used and designed for transporting hay or forage from
35 a field to a storage area or from a storage area to a feedlot, which is only
36 incidentally moved or operated upon the highways, except that this par-
37 agraph shall not apply to a farm semitrailer.

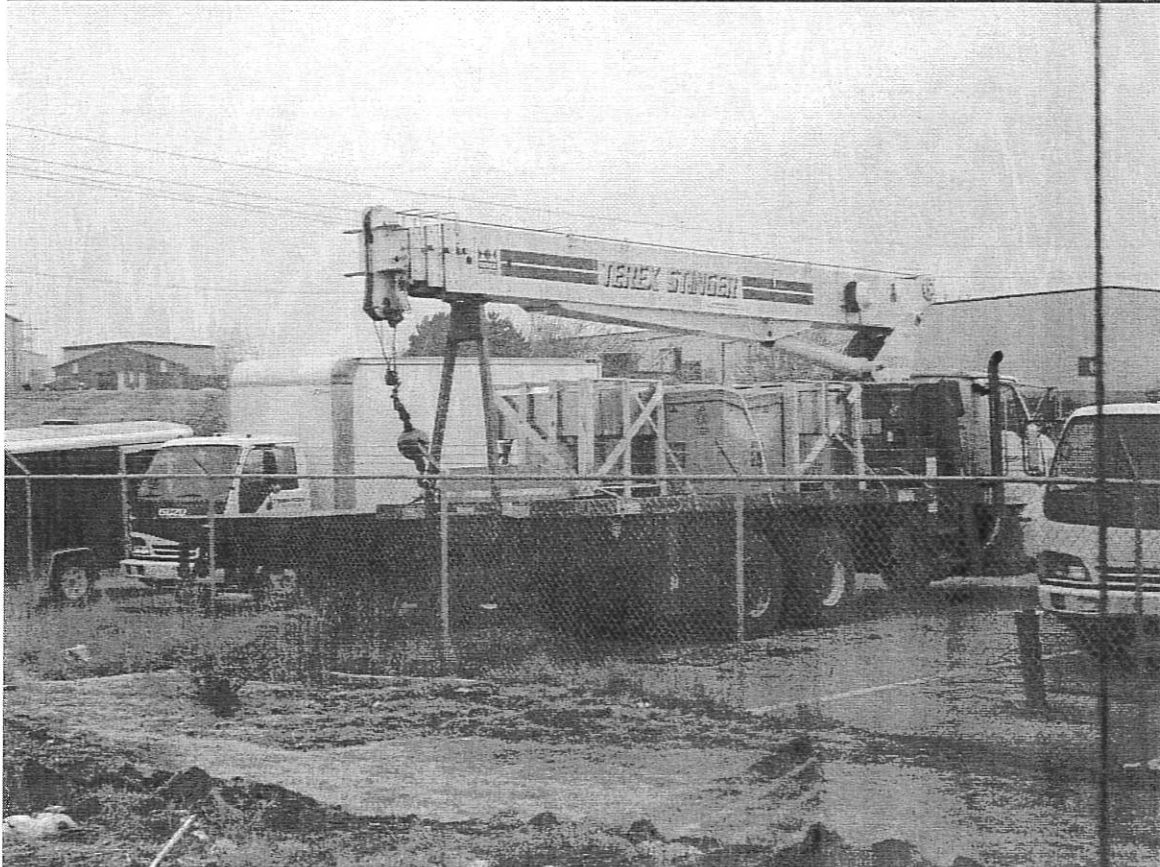
38 (b) Self-propelled cranes ~~where the crane operator on a job site op-~~
39 ~~erates the controls of such crane from a permanent housing or module~~
40 ~~on the crane and the crane is not constructed~~ *[identified with a product*
41 *identification number and not a vehicle identification number, with the*
42 *boom or hoist controls operated from a permanent enclosure or housing*
43 *integrated into the manufacturer's design] and not designed or manufac-*

*Cameron Alldritt
Director, Division
of Motor Vehicles*

consisting of a rotating superstructure with power plant, operating machinery and boom, mounted on a base or platform equipped with axles and rubber-tired wheels for travel. The base is usually propelled by the engine in the superstructure, but it may be equipped with a separate engine controlled from the superstructure







MIDWEST CRANE AND RIGGING, INC.

15585 S. KEELER • P.O. BOX 970 • OLATHE, KANSAS 66051-0970
(913) 747-5100 • FAX (913) 764-0102

Feb. 6th, 2006

TO: The Senate Transportation Committee
RE: SB-374

Chairman Donovan and Committee Members:

My name is William R. Miller. I am president and owner of Midwest Crane and Rigging Co. headquartered in Olathe, Kansas with locations in Topeka, Kansas and St. Joseph, Missouri.

I am here to testify in opposition to SB-374. This bill would change the way we have been doing business as a crane service for 25 years. This bill would require us to register and license off road equipment that has been exempt since the current statute was written in 1933. The intent of the legislature at the time it was written is clear.

If SB-374 is passed as written, it will immediately result in greatly increased cost to most crane services in Kansas and create an unfair advantage for crane services in Missouri who do not license or register these same machines.

There is reciprocity between Kansas and Missouri and this could force some businesses to relocate their equipment to Missouri which would result in the total loss of the revenue generated by the property taxes on this machinery.

SB-374 AS WRITTEN IS BAD FOR KANSAS.

There is now some confusion as to this intent of the original Statute. In order to clear up this issue, we offer an amendment to Kansas Statute 8-128 by changing the word "constructed" in line 3 of subsection (b) of section 8, to "use". This will confirm the intent of the legislature when this statute was first written and enable the Highway Patrol to recognize this equipment as off road.


Thank you for the time you have given to listen to my testimony. The way we have been doing business for 25 years has not made exempt since the time it was written in 1933. The intent of the legislature at the time it was written is clear.

William R. Miller
Midwest Crane and Rigging Co.

Topeka Branch
711 1/2 24 Hwy
785-233-0400

**SUBCONTRACTORS**

THE HEARTBEAT OF CONSTRUCTION

 AMERICAN SUBCONTRACTORS ASSOCIATION

Senate Transportation Committee
February 7, 2006
Attachment 5

SENATE BILL No. 374

By Committee on Transportation

1-17

9 AN ACT relating to the registration of vehicles; concerning self-pro-
10 pelled cranes; amending K.S.A. 8-128 and repealing the existing
11 section.

12
13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 8-128 is hereby amended to read as follows: 8-128.

15 (a) The following need not be registered under this act, any:

- 16 (1) Implement of husbandry;
- 17 (2) all-terrain vehicle;
- 18 (3) road roller or road machinery temporarily operated or moved
19 upon the highways;
- 20 (4) municipally owned fire truck;
- 21 (5) privately owned fire truck subject to a mutual aid agreement with
22 a municipality;
- 23 (6) school bus owned and operated by a school district or a nonpublic
24 school which has the name of the municipality, school district or non-
25 public school plainly painted thereon;
- 26 (7) farm trailer used in carrying not more than 6,000 pounds owned
27 by a person engaged in farming, which trailer is used exclusively by the
28 owner to transport agricultural products produced by such owner or com-
29 modities purchased by the owner for use on the farm owned or rented
30 by the owner of such trailer and the weight of any such farm trailer, plus
31 the cargo weight of 6,000 pounds or less, shall not be considered in de-
32 termining the gross weight for which the truck or truck tractor propelling
33 the same shall be registered; or
- 34 (8) farm trailer used and designed for transporting hay or forage from
35 a field to a storage area or from a storage area to a feedlot, which is only
36 incidentally moved or operated upon the highways, except that this par-
37 agraph shall not apply to a farm semitrailer.
- 38 (b) ~~Self-propelled cranes where the crane operator on a job site op-~~
39 ~~erates the controls of such crane from a permanent housing or module~~
40 ~~on the crane and the crane is not constructed identified with a product~~
41 ~~identification number and not a vehicle identification number, with the~~
42 ~~boom or hoist controls operated from a permanent enclosure or housing~~
43 ~~integrated into the manufacturer's design and not designed or manufac-~~

1 *tured with a bed that would allow* for the transportation of property,
2 except the property that is required for *safe and stable operation* of the
3 crane itself and earth moving equipment which are equipped with pneu-
4 matic tires may be moved on the highways of this state from one job
5 location to another, or to or from places of storage, delivery or repair,
6 without complying with the provisions of the law relating to registration
7 and display of license plates but shall comply with all the other require-
8 ments of the law relating to motor vehicles.

9 (c) Oil well servicing, oil well clean-out or oil well drilling machinery
10 or equipment need not be registered under this act but shall comply with
11 all the other requirements of the law relating to motor vehicles.

12 (d) A truck permanently mounted with a hydraulic concrete pump
13 and placing boom may be moved on the highways of this state from one
14 job location to another, or to or from places of storage delivery or repair,
15 without being registered under this act, but shall comply with all the other
16 requirements of the law relating to motor vehicles. The provisions of this
17 subsection shall not apply to ready-mix concrete trucks.

18 Sec. 2. K.S.A. 8-128 is hereby repealed.

19 Sec. 3. This act shall take effect and be in force from and after its
20 publication in the Kansas register.

(b) Self-propelled cranes where the crane operator on a job site operates the controls of such crane from a permanent housing or module on the crane and the crane is not ~~constructed~~ *used* for the transportation of property, except the property that is required for the crane itself and earth moving equipment which are equipped with pneumatic tires may be moved on the highways of this state from one job location to another, or to or from places of storage, delivery or repair, without complying with the provisions of the law relating to registration and display of license plates but shall comply with all the other requirements of the law relating to motor vehicles.

POLK CRANE SERVICE, INC.

P.O. Box 34
Lawrence, Ks. 66044
1-785-843-1181
Fax 1-785-843-1872

February 7, 2006

To: Chairman Donovan
Senate Transportation Committee

Re: SB 374

Polk Crane Service is a small family oriented crane erection service. It is owned by Mike and Greg Polk and currently has three employees. Our crane erection company lifts and sets air conditioning units, roof trusses and structural steel.

The items we set are always on location at the job site when we arrive. We do not deliver or carry property that belongs to others. The only things transported on the bed of the crane are materials needed in the operation of the crane.

I have attached a photo of our Altec crane. As you can see with the rigging loaded there is no available space to haul other's equipment. We do not and never will haul for others, because our crane insurance does not cover transporting equipment owned by others on the highway.

This crane has no other function but to lift and place heavy loads at construction sites. Yet because of the fact that it has a VIN rather than a product identifier, and a bed it would be treated differently than cranes which have identical uses and capabilities.

If required by Senate Bill 374 to register and display license tags we would be forced to increase our hourly rates. Many of our jobs involve single-family dwellings in our community. The increase would eventually be passed on to the homeowner as we recently did with diesel fuel. This increase would also affect our commercial accounts, which would immediately pass it thru to the end user.

Polk Crane Service opposes SB 374 as written. But would support amendments suggested by our industry, to clarify that any crane which is not tagged carrying construction equipment or materials not associated with the operation of the crane would be in violation of the law and subject to citations.

This draws a clear distinction that allows law enforcement to act when they see a violation and makes clear to operators the circumstances in which cranes must be tagged and registered.

Sincerely,



Greg Polk



Senate Transportation Committee
February 7, 2006
Attachment 8

Gilmore Crane Corporation
12269 S Road
Hoyt, KS 66440
785-357-1108

February 6, 2006

Subject: SB 374

Dear Chairman Donovan and members of the Senate Transportation Committee:

In my opinion the following points need to be made in opposition to SB 374. First, just because a vehicle has a VIN # it does not make it capable of hauling anything, ie, our 36 Ton National 15127 Crane is a truck chassis with a VIN# but after the manufacturer mounted the crane, it has a weight of 53,100 lbs. Three-axle cranes, by state law, can accommodate 54,000 lbs. Thus, as you can see, there is only 900 lbs of variance. This crane does not have a bed of any type; therefore it is not possible to haul other material, other than items required in the set up of this crane. It is obvious that the manufacturer did not design this crane with the intent of hauling any type of material.

Yet, because of the language proposed in SB 374 which excludes vehicles with a VIN# this crane cannot be considered for an exemption, while other cranes with identical capabilities and use, but not manufactured on a truck frame would.

We are a small company. As such, we specialize in "hook" work ONLY. We do not and do not wish to compete with any other trades, ie trucking, rigging or millwrights. We DO NOT HAUL any goods for any of our customers for this reason.

As a small company, the additional expenses that this legislature would generate would be detrimental to our bottom line. We would be forced to pass on price increases to our customers and in this competitive business, it would be much more difficult to continue to compete with the larger companies.

Thank you for considering our issues; if you have any additional questions, please feel free to contact me at 785-357-1108.

Sincerely,

Allen Gilmore
President
Gilmore Crane Corp.

Senate Transportation Committee
February 7, 2006
Attachment 9