

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 8:30 A.M. on February 6, 2008 in Room 527-S of the Capitol.

All members were present except:

Vicki Schmidt- excused
Greta Goodwin- excused

Committee staff present:

Hank Avila, Kansas Legislative Research Department
Jill Shelley, Kansas Legislative Research Department
Mike Corrigan, Revisor of Statutes
Mary Jane Brueck, Committee Assistant

Conferees appearing before the committee:

Diane Minear, Kansas Corporation Commission

Others attending:

See attached list.

Chairman Donovan opened the hearing on **SB 509--Authorizing the state corporation commission to sell certain impounded motor vehicles.**

Proponent:

Diane Minear, Kansas Corporation Commission (KCC), spoke to the bill, explaining it is a "clean-up bill" to allow the KCC to dispose of impounded vehicles that are never picked by the owner. This situation rarely happens. (Attachment 1)

Sen. Journey said he presumed owners and lien holders would be notified. Ms Minear explained yes, the KCC would follow the procedures in K.S.A. 8-1102.

Sen. Petersen inquired about hazardous waste that might be left in such a vehicle. Ms. Minear replied there are Federal regulations that would have to be followed by the KCC to deal with hazardous materials.

Sen. Apple asked what causes the KCC to come into possession of a vehicle, rather than local law enforcement. Ms. Minear explained the specific situation to which this bill refers, the Federal Motor Carriers Association asked the KCC to do the impound due to violations the vehicle had committed. The reasons KCC would impound a vehicle would be for safety violations or Federal out of service violations.

Seeing no further questions, Chairman Donovan closed the hearing on **SB 509** and opened the hearing on **SB 462--Motor carriers, base state registration.**

Proponent:

Diane Minear, Kansas Corporation Commission, also spoke to this bill. It is not a bill of substantive measure. It is a "clean-up bill". In August 2005 Congress passed the SAFTEA-LU bill that repealed the Single State Registration System as of January 1, 2007. No changes were sought in 2007, waiting for final regulation to be printed. This bill will amend KCC Transportation statutes. The KCC requests additional amendments that were overlooked in the first review of **SB 462.** (Attachment 2)

Seeing no questions, Chairman Donovan closed the hearing on **SB 462.**

Sen. Journey moved the amendments to SB 462. Sen. Petersen seconded the motion. Motion carried to adopt the amendments.

The committee will take final action on **SB 462** at a later date.

Sen. Apple said in his district there is a KCC ruling that would define interstate commerce as taking grain

CONTINUATION SHEET

MINUTES OF THE Senate Transportation Committee at 8:30 A.M. on February 6, 2008 in Room 527-S of the Capitol.

from the field to the elevator. He is not sure how that ties into this bill. Chairman Donovan explained there are meetings going on in the Agriculture Committee to deal with that issue. There will be a meeting February 12, with the Agriculture Committee, Congressman Jerry Moran, Farm Bureau people, and himself regarding a new interpretation of old rules. They are hoping to get Congress to change their interpretation. Sen. Apple said his point is the timing is poor for giving KCC approval to sell cars they impound. Ms. Minear explained in **SB 509** the KCC has no intention to impound vehicles, and timing of the bills is out of KCC hands.

It was asked if a farmer does not have USP numbers, would it be a safety violation. Ms. Minear said that would be a violation, but would not get the vehicle impounded. She said KCC is working to help farmers understand new regulations.

Sen. Palmer asked to have the information Ms. Minear has shared with the committee in writing to share with constituents. She will get it to Sen. Palmer.

Sen. Palmer moved that **SB 509** be passed to the floor. Sen. Wilson seconded the motion. The motion carried.

Chairman Donovan told the committee the fiscal notes are negligible on SB 509, and SB 462 will be the same.

Chairman Donovan asked for approval of minutes for January 17 and January 24 meetings. Sen. Peterson moved they be approved. Sen. Wilson seconded the motion. The motion carried.

The next meeting is scheduled for Tuesday, February 12, to hear testimony of **SB 522**, and **SB 523**.

SB 543 was assigned to the Transportation Committee in yesterday's Session. Chairman Donovan received a call from Tom Docking with concerns. We may meet Thursday, February 14 too.

The meeting adjourned at 9:10 a.m. The next meeting is scheduled for February 12.

SENATE TRANSPORTATION COMMITTEE GUEST LIST

DATE: FEB 6, 2008

NAME	REPRESENTING
TOM DAY	KCC
KEVIN GREGG	KMCA
Terry Heidner	KDOT
Diane Minear	KCC
Matt Spang	KCC



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

February 6, 2008

**TESTIMONY BEFORE THE SENATE TRANSPORTATION COMMITTEE
SB 509**

Chairperson Donovan and Distinguished Members of the Committee:

My name is Mike Hoeme, and I am Director of Transportation for the Kansas Corporation Commission. Among other things, the Kansas Corporation Commission is charged with responsibility of administering and enforcing the statutes and regulations governing the registration of motor carriers. I am appearing today on behalf of the Kansas Corporation Commission in support of SB 509.

The Kansas Corporation Commission was given the authority to impound motor carrier's vehicles pursuant to K.S.A. 2006 Supp. 66-1,129a. We are asking you to support this bill as a cleanup. The changes are minor, and hopefully will seldom need to be used, but in those rare occasions, the changes will help both the KCC and other entities address how to dispose of a vehicle that is impounded and then abandoned.

In most cases, we do not believe there will be the need to sell an impounded vehicle. Most of the commercial motor vehicles that would be subject to impoundment under K.S.A. 2006 Supp. 66-1,129 are of enough value that the vehicle will be recovered by either the owner or lien holder. It is going to be the few occasions where a motor carrier, who has already been in violation of motor carrier safety laws and regulations, abandons the impounded vehicle, rather than pay the fines and impound charges.

Pursuant to K.S.A. 8-1102, when a vehicle is unclaimed, it may be sold if the person in possession of the vehicle is a public agency. Under the current definition, the KCC is not a "public agency" who could dispose of the vehicle. If the KCC is in possession of an impounded vehicle, the KCC does not have the authority to sell the vehicle. Solely for the purpose of selling an unclaimed abandoned vehicle which was impounded by the KCC, the KCC wishes to have the authority to dispose of that vehicle and be considered a "public agency" under K.S.A. 8-1102.

Any money received from the sale of the vehicle would be used to pay the cost of the impoundment and sale, with the remainder transferred to the State General Fund..

Thank you for the opportunity to appear before you today. I am happy to stand for any questions.



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

February 6, 2008

**TESTIMONY
BEFORE THE
SENATE TRANSPORTATION COMMITTEE
SB 462**

Chairperson Donovan and Distinguished Members of the Committee:

My name is Mike Hoeme and I am Director of Transportation for the Kansas Corporation Commission. Among other things, the Kansas Corporation Commission is charged with responsibility of administering and enforcing the statutes and regulations governing the registration of motor carriers. I am appearing today on behalf of the Kansas Corporation Commission in support of SB 462.

Senate Bill 462, seeks to amend K.S.A. 66-1,139a and K.S.A. 2007 Supp. 44-765, 66-1,115, 66-1,116, 66-1,128, 66-1,139 and 66-1a01. My testimony will explain how the repeal of a Federal Statute and Regulation affects Kansas Statutes and Regulations which govern the registration of motor carriers.

Synopsis: In August, 2005, Congress passed the SAFTEA-LU bill, which established the Unified Carrier Registration System (UCR). This was codified at 49 U.S.C. 14504a. The bill repealed the Single State Registration System (SSRS) as of January 1, 2007, and thus prohibited state collection of motor carrier registration fees, effective that date. Prior to January 1, 2007, Kansas had been registering motor carriers under the SSRS system and collecting fees for the registrations pursuant to authority granted at K.S.A. 66-1,116. With SSRS repealed, states were left to wait for the UCR to become effective. There was discussion at the federal level about the possible re-enactment of SSRS. Consequently Kansas, like several states, was left in limbo when the legislature was last in session. Because of the uncertainty as to which way the federal government would go with the matter, no legislative changes were sought during the 2007 session. By the time the federal government published a final regulation on August 24, 2007, there was no way for the KCC to seek legislative help in changing Kansas statutes for the year 2007.

SB 462 is a clean up bill that will amend seven KCC Transportation statutes that specifically reference or cite 49 U.S.C. 14504. The new federal statute gives participating states the authority to collect motor carrier registration fees under the new Uniform Carrier Registration System. The amended statutes in SB 462 will also be referenced in new KCC regulations after this bill is passed. There are no substantive changes in this proposed bill.

The KCC respectfully request the Committee make additional amendments that were overlooked in the first review of SB 462. On page 5, in line 9, strike "base state registration" and ir

“Unified Carrier Registration”. Also on page 5, in line 10, strike all after the period, all of line 11, and in line 12, strike all before “The”. The additional amendments in this section address the repeal of the SSRS and the substitution of the UCR. The amendment also strikes language regarding refunds for overpayment as this has also been repealed.

On page 6, strike all of lines 6 through 8. This language refers to the SSRS and fees associated with a per vehicle registration. Due to the repeal of 49 U.S.C. 14504, the language is no longer valid. The UCR fee schedule is subject to change, pending participation by other states in the UCR. To eliminate the need to amend the statute yearly, it has been determined that fee schedules will be better addressed by regulation.

Thank you for the opportunity to appear before you today. I am happy to entertain any questions that you may have.