

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on March 13, 2009, in Room 136-N of the Capitol.

All members were present.

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes
Jill Shelley, Kansas Legislative Research Department
Cindy Shepard, Committee Assistant

Conferees appearing before the Committee:

Michael McLin, Bureau Manager, Titles & Registrations, State of Kansas
Jarrod Forbes, Lobbyist, Polaris Industries
Bill Sneed, Legislative Counsel, State Farm Insurance Companies

Others attending:

See attached list.

The hearing on **SB 293 - Regulating traffic, concerning the definition of an all-terrain vehicle** was opened.

Michael McLin, Bureau Manager of Titles & Registrations, for the State of Kansas, testified as a proponent of **SB 293**. He stated that the bill clarifies an issue that the Titles & Registration Bureau has been having with all terrain vehicles (ATV's). The Department requested the language in **SB 293** to be placed upon **SB 37** as it was amended and passed by the Senate (Attachment 1).

Jarrod Forbes, on behalf of Polaris Industries, appeared in support of **SB 293**. They believe that this legislation is a necessary change to keep Kansas law consistent with current real world practice and remove the confusion of what is and is not defined as an ATV (Attachment 2).

Written testimony in opposition to **SB 293** was submitted by:

Bill Sneed, Legislative Counsel, State Farm Insurance Companies (Attachment 3)

There being no further conferees, the hearing on **SB 293** was closed.

Chairman Umbarger suggested working the bill immediately if there was no opposition. The committee agreed. Senator Petersen moved, Senator Schmidt seconded, to recommend **SB 293** favorably for passage. Discussion followed. Senator Petersen withdrew his motion, Senator Schmidt seconded.

The Chairman called attention to a technical amendment that makes sure the definition of an all-terrain vehicle is applied in both sections of the statute. Senator Hensley moved, Senator Petersen seconded to adopt the proposed amendment. Motion carried.

Senator Petersen moved, Senator Schmidt seconded, to recommend **SB 293**, as amended, favorably for passage. Motion carried.

Final action on **SB 274 - Enacting Kansas scenic and heritage backroads act.**

Following discussion, Senator Kultala moved, Senator Brownlee seconded, to recommend **SB 274** favorably for passage. Motion carried.

The Chairman called for final action on **HB 2130 - Support Kansas arts license plate.**

Discussion followed in reference to an amendment requested by Carmen Alldritt, Director of Vehicles, that enables the Department to cover the cost of distinctive license plates (Attachment 4). Senator Schmidt moved, Senator Kultala seconded, to adopt the proposed amendment. Motion carried.

CONTINUATION SHEET

Minutes of the Senate Transportation Committee at 8:30 a.m. on March 13, 2009, in Room 136-N of the Capitol.

Senator Schmidt moved, Senator Kultala seconded, to recommend **HB 2130**, as amended, favorably for passage. Motion carried.

Final action on **HB 2131 - Disabled veterans license plates, defining disabled veterans.**

The Chairman referred to a proposed amendment requested at the hearing on February 5 (Attachment 5). Senator Schmidt moved, Senator Kultala seconded, to adopt the proposed amendment. Motion carried.

Senator Brownlee moved, Senator Schmidt seconded, to recommend **HB 2131**, as amended, favorably for passage. Motion carried.

Final action on **HB 2134 - Distinctive license plates; exempting In God We Trust plates from startup fee.**

The Chairman called attention to a proposed amendment dealing with the collection of startup fees (Attachment 6). Following discussion, Senator Hensley moved, Senator Marshall seconded, to adopt the proposed amendment. Motion carried.

Discussion continued, Senator Brownlee moved, Senator Schmidt seconded, to further amend **HB 2134** by changing the \$10,000 on line 36 to \$20,000. Motion carried.

Senator Donovan moved, Senator Marshall seconded, to recommend **HB 2134**, as amended, favorably for passage. Motion carried.

Final action on **HB 2258 - Licensing vehicle crushers, recyclers, rebuilders scrap metal recycler.**

Staff distributed a proposed amendment requested by Ed Klumpp at the hearing on March 10 clarifying scrap metal vehicles (Attachment 7). Following discussion, Senator Hensley moved, Senator Donovan seconded, to adopt the proposed amendment. Motion carried.

Senator Donovan moved, Senator Marshall seconded, to recommend **HB 2258**, as amended, favorably for passage. Motion carried.

The meeting was adjourned at 9:27 a.m. The next meeting is scheduled for March 17, 2009.

549-N



Kathleen Sebelius, Governor
Joan Wagnon, Secretary

www.ksrevenue.org

March 5, 2009 — March 13

To: Senate Transportation Committee Chairperson
Senate Transportation Members
From: Michael J. McLin – Bureau Manager – Titles & Registrations
Subject: SB 293 – ATV Definition's

Good Afternoon, I want to take time to Thank You, Mr. Chairman and Committee Members for affording me the opportunity to provide both written and oral testimony to you today in regards to SB 293.

I am here today in support of SB 293 as it currently written. This bill clarifies an issue that the Titles & Registrations Bureau has been having with ATV's for some time and it would solidify a current process that has been ongoing.

The Department has requested the language in SB 293 to be placed upon SB 37C as it was amended and passed by the Senate. The House Transportation has approved the requested Amendments and worked this Bill yesterday, which passed out of the Committee favorably. This bill has now moved to the House Floor and is awaiting Final Action.

Again, Mr. Chairman and Committee Members, I want to thank you for your time, I will now stand for questions.

Sincerely,

Michael J. McLin
Bureau Manager
Titles & Registration/
Dealer Licensing

DIVISION OF VEHICLES
TITLES & REGISTRATIONS
DOCKING STATE OFFICE BUILDING, 915 SW HARRISON ST., TOPEKA, KS 66612-1:
Voice 785-296-3621 Fax 785-296-3852 <http://www.ksrevenue.org/>

Senate Transportation
3-13-09
Attachment 1

Benchmark Communications

MARCH 13, 2009

SENATE TRANSPORTATION COMMITTEE

TESTIMONY IN SUPPORT OF SB 293

Mr. Chairman and members of the committee:

Thank you for the opportunity to testify in support of SB 293. My name is Jarrod Forbes appearing on behalf of Polaris Industries. As many of you know, Polaris has been a leader in the off road vehicle industry for over 50 years. Polaris Industries designs, manufactures and markets innovative, high-quality, high-performance motorized products for recreation and utility use. Our product lines consist of all-terrain vehicles (ATVs), snowmobiles, RANGER Side x Sides, Victory Motorcycles and related parts, garments and accessories (PG&A).

We view SB 293 as a necessary change to keep Kansas law consistent with current real world practice. The fact is that the larger ATVs are being sold and ridden today in Kansas. The purpose of this legislation is simply to update Kansas law to remove the confusion of what is and is not defined as an ATV.

It is my understanding that you will hear from an opponent to this bill. Their argument about the difficulty of insuring these vehicles when driven on the public roadway system has some merit. However, I want to remind you that unlike other legislation this committee has passed, this bill does not deal with the question if ATVs should or should not be driven on public streets. It simply allows larger ATVs to exist in Kansas.

Mr. Chairman, I thank you for the opportunity to appear before your committee today and would be happy to answer any questions the committee may have.

Setting the standard in strategic communications

TO: THE HONORABLE DWAYNE UMBARGER, CHAIR
SENATE TRANSPORTATION COMMITTEE

FROM: WILLIAM W. SNEED, LEGISLATIVE COUNSEL
THE STATE FARM INSURANCE COMPANIES

RE: S.B. 293

DATE: MARCH 13, 2009

Mr. Chairman, Members of the Committee: My name is Bill Sneed and I am Legislative Counsel for the State Farm Insurance Companies. State Farm is the largest insurer of homes and automobiles in Kansas. State Farm insures one out of every three cars and one out of every four homes in the United States. Please accept this memorandum as our opposition to S.B. 293.

First, we would contend that the Committee, when evaluating the convenience that such a bill would provide the Kansas communities, should also balance the safety issue. ATVs are not designed to be on roads. ATVs are lower to the ground thus can be more difficult to see on the roadway. Because of these issues, the potential for accidents is increased, and with more accidents there will be more claims. With more claims there will be a resulting increase in cost for the ATV owner and any individual driving a car that is involved in an accident with an ATV.

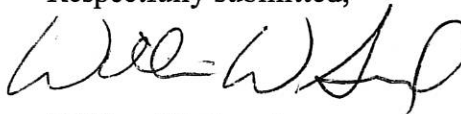
Here is a quick explanation of the extent to which coverage applies for ATVs under the homeowner's policy in Kansas.

- **First Party Coverage** – First party coverage does not apply for any motor propelled vehicle designed for movement on land unless the motor vehicle is not licensed for use on public highways and either used solely to service the “insured location” or specifically designed for assisting the handicapped. Therefore, if an ATV were licensed for public highway use, coverage would be excluded. Additionally, if an ATV is not used solely to service the insured location (i.e., it is driven off-premises), that too would preclude coverage from applying.
- **Third Party Coverage** – Third party claims are highly fact-dependent so I hesitate to attempt to broadly state when coverage would or would not apply. Instead, it does appear the bill's effort to expand the size of ATVs and the scope of their use to include roadways would increase insurers' exposure.

Additionally, since ATVs are not registered, they are exempt from the Kansas mandatory insurance laws. Thus, there is additional exposure for both the owner/operator of the ATV and any innocent party involved with an accident with an ATV. Therefore, we respectfully urge the Committee to not act favorably on S.B. 293.

Again, thank you very much.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WWS', written in a cursive style.

William W. Sneed

WWS:kjb

Proposed Amendment

Session of 2009

HOUSE BILL No. 2130

By Committee on Transportation

1-28

9 AN ACT relating to motor vehicles; providing for the support Kansas arts
10 license plate; amending K.S.A. 2008 Supp. 8-1,141 and repealing the
11 existing section.
12

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

14 New Section 1. (a) On and after January 1, 2010, any owner or lessee
15 of one or more passenger vehicles or trucks registered for a gross weight
16 of not more than 20,000 pounds who is a resident of Kansas, upon com-
17 pliance with the provisions of this section, may be issued one support
18 Kansas arts license plate for each such passenger vehicle or truck. Such
19 license plates shall be issued for the same time as other license plates
20 upon proper registration and payment of the regular license fee as pro-
21 vided in K.S.A. 8-143, and amendments thereto, and the presentation of
22 the annual logo use authorization statement provided for in subsection
23 (b).

24 (b) The Kansas arts commission, created under K.S.A. 74-5202, and
25 amendments thereto, may authorize the use of their logo to be affixed on
26 license plates as provided by this section. Any royalty payment to such
27 commission derived from this section shall be credited to the Kansas arts
28 commission special gifts fund and, shall be used in accordance with the
29 provisions of K.S.A. 74-5204, and amendments thereto. Any motor ve-
30 hicle owner or lessee may annually apply to the commission for the use
31 of such logo. Upon annual application and payment to the commission in
32 an amount of not less than \$25 nor more than \$100 as a logo use royalty
33 payment for each license plate to be issued, the commission shall issue
34 to the motor vehicle owner or lessee, without further charge, a logo use
35 authorization statement, which shall be presented by the motor vehicle
36 owner or lessee at the time of registration.

37 (c) Any applicant for a support Kansas arts license plate may make
38 application for such plates not less than 60 days prior to such person's
39 renewal of registration date, on a form prescribed and furnished by the
40 director of motor vehicles, and any applicant for the support Kansas arts
41 license plates shall provide the annual logo use authorization statement
42 provided for in subsection (b). Application for registration of a passenger
43 vehicle or truck and issuance of the license plate under this section shall

Senate Transportation

3-13-09

Attachment 4

1 be made by the owner or lessee in a manner prescribed by the director
2 of vehicles upon forms furnished by the director.

3 (d) No registration or support Kansas arts license plate issued under
4 this section shall be transferable to any other person.

5 (e) Renewals of registration under this section shall be made an-
6 nually, upon payment of the fee prescribed in subsection (a), in the man-
7 ner prescribed in subsection (b) of K.S.A. 8-132, and amendments
8 thereto. No renewal of registration shall be made to any applicant until
9 such applicant provides the annual logo use authorization statement pro-
10 vided for in subsection (b). If such logo use authorization statement is
11 not presented at the time of registration, the applicant shall be required
12 to comply with K.S.A. 8-143, and amendments thereto, and return the
13 support Kansas arts license plate to the county treasurer of such person's
14 residence.

15 (f) The Kansas arts commission shall:

16 (1) Pay the initial cost of silk-screening for such support Kansas arts
17 license plates; and

18 (2) provide to all county treasurers a toll-free telephone number
19 where applicants can call the Kansas arts commission for information
20 concerning the application process or the status of their license plate
21 application.

22 (g) The Kansas arts commission, with the approval of the director of
23 vehicles and subject to the availability of materials and equipment, shall
24 design a plate to be issued under the provisions of this section.

25 Sec. 2. K.S.A. 2008 Supp. 8-1,141 is hereby amended to read as fol-
26 lows: 8-1,141. (a) Any new distinctive license plate authorized for issuance
27 on and after July 1, 1994, shall be subject to the personalized license plate
28 fee prescribed by subsection (c) of K.S.A. 8-132, and amendments
29 thereto. This section shall not apply to any distinctive license plate au-
30 thorized prior to July 1, 1994.

31 (b) The director of vehicles shall not issue any new distinctive license
32 plate authorized for issuance on and after July 1, 1995, unless there is a
33 guarantee of an initial issuance of at least 500 license plates.

34 (c) The provisions of this section shall not apply to distinctive license
35 plates issued under the provisions of K.S.A. 8-1,145, or K.S.A. 2008 Supp.
36 8-177d, and amendments thereto.

37 (d) The provisions of subsection (a), shall not apply to distinctive li-
38 cense plates issued under the provisions of K.S.A. 8-1,146 or 8-1,148, and
39 amendments thereto, or K.S.A. 2008 Supp. 8-1,153 ~~or~~, 8-1,158 *or section*
40 *I*, and amendments thereto.

41 (e) (1) Any person or organization sponsoring any distinctive license
42 plate authorized by the legislature on and after July 1, 2004, shall submit
43 to the division of vehicles a nonrefundable amount not to exceed ~~\$10,000,~~

\$20,000

- 1 to defray the division's cost for developing such distinctive license plate.
- 2 (2) All moneys received under this subsection shall be remitted by
3 the secretary of revenue to the state treasurer in accordance with the
4 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
5 each such remittance, the state treasurer shall deposit the entire amount
6 in the state treasury to the credit of the distinctive license plate fund
7 which is hereby created in the state treasury. All moneys credited to the
8 distinctive license plate fund shall be used by the department of revenue
9 only for the purpose associated with the development of distinctive li-
10 cense plates. All expenditures from the distinctive license plate applica-
11 tion fee fund shall be made in accordance with appropriation acts, upon
12 warrants of the director of accounts and reports issued pursuant to vouch-
13 ers approved by the secretary of the department of revenue.
- 14 (f) (1) Except for educational institution license plates issued under
15 K.S.A. 8-1,142, and amendments thereto, the director of vehicles shall
16 discontinue the issuance of any distinctive license plate authorized prior
17 to July 1, 2004, and which is subject to the provisions of subsection (b)
18 if:
- 19 (A) Less than 500 license plates, including annual renewals, are is-
20 sued for that distinctive license plate by July 1, 2006; and
- 21 (B) less than 250 license plates, including annual renewals, are issued
22 for that distinctive license plate during any subsequent two-year period
23 after July 1, 2006.
- 24 (2) The director of vehicles shall discontinue the issuance of any dis-
25 tinctive license plate authorized on and after July 1, 2004, if:
- 26 (A) Less than 500 plates, including annual renewals, are issued for
27 that distinctive license plate by the end of the second year of sales; and
- 28 (B) less than 250 license plates, including annual renewals, are issued
29 for that distinctive license plate during any subsequent two-year period.
- 30 Sec. 3. K.S.A. 2008 Supp. 8-1,141 is hereby repealed.
- 31 Sec. 4. This act shall take effect and be in force from and after its
32 publication in the statute book.

HOUSE BILL No. 2131

By Committee on Transportation

1-28

Proposed
Amendment

9 AN ACT relating to motor vehicles; concerning license plates for disa-
10 bled veterans; amending K.S.A. 8-160 and repealing the existing
11 section.

relating to personalized license plates

K.S.A. 2008 Supp. 8-132 and

sections

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

14 Section 1. K.S.A. 8-160 is hereby amended to read as follows: 8-160.
15 As used in this act, the term "disabled veteran" means a person who has
16 served in the armed forces of the United States and who is entitled to
17 compensation for a ~~one hundred percent (100%) disability under service-~~
18 ~~connected disability of at least 50% and the laws administered by the~~
19 ~~veterans administration or who is entitled to compensation for the loss,~~
20 ~~or permanent loss of use, of one or both feet or one or both hands, or~~
21 ~~for permanent visual impairment of both eyes to a prescribed degree.~~

See Insert : Attached

22 Sec. 2. K.S.A. 8-160 is hereby repealed.

and K.S.A. 2008 Supp. 8-132 are

23 Sec. 3. This act shall take effect and be in force from and after its
24 publication in the statute book.

INSERT FROM PAGE 1:

Sec. 2. (a) K.S.A. 2008 Supp. 8-132 is hereby amended to read as follows: 8-132. (a) Subject to the provisions of this section and K.S.A. 8-1,125, and amendments thereto, the division of vehicles shall furnish to every owner whose vehicle shall be registered one license plate for such vehicle. Such license plate shall have displayed on it the registration number assigned to the vehicle and to the owner thereof, the name of the state, which may be abbreviated, and the year or years for which it is issued. The same type of license plates shall be issued for passenger motor vehicles, rented without a driver, as are issued for private passenger vehicles.

(b) During calendar year 1975 commencing on the effective date of this act, and during every fifth calendar year thereafter, the division of vehicles shall furnish one license plate for any type of vehicle an owner registers or has the registration thereof renewed, but during the succeeding four-year period following calendar year 1975 and during the succeeding four-year period following every fifth calendar year subsequent to 1975, the division of vehicles shall not furnish any license plate for the renewal of a vehicle's registration. During calendar year 1976 and during each calendar year thereafter in which a license plate is not issued for the renewal of registration of a vehicle, the division of vehicles shall furnish one decal for the license plate issued for a vehicle as provided in K.S.A. 8-134, and amendments thereto, for each registration and renewal of registration of such vehicle. Notwithstanding the foregoing provisions of this subsection, whenever, in the discretion of the director of vehicles, it is determined that the license plates currently being issued and displayed are not deteriorating to the extent that their replacement is warranted, the director may adopt rules and regulations to extend the five-year issuance cycle provided for in this subsection by one year at a time, and in the same manner the director may further extend such cycle by one year at a time, successively as the director determines appropriate. If the cycle is extended at the expiration of the extended term, new license plates shall again be issued in the manner and for the term provided in

such rules and regulations, except that the owner of a motor vehicle currently registered may continue to display the license plate currently being issued and displayed for a period not to exceed three registration years from the date of the expiration of the extended term. The division shall furnish one decal for each such license plate in accordance with the provisions [of] this subsection.

(c) Two personalized license plates may be issued to any owner or lessee of a passenger vehicle or a truck licensed for a gross weight of not more than 20,000 pounds, who makes proper application to the division of vehicles not less than 60 days prior to such owner's or lessee's renewal of registration date. Such application shall be on a form prescribed by the division and accompanied by a fee of \$40, which shall be in addition to any other fee required to renew the registration of such passenger vehicle under the laws of this state. One such personalized license plate shall be displayed on the rear of the vehicle and, at the option of the owner or lessee, the other license plate may be displayed on the front of the vehicle, except that no registration decal shall be issued pursuant to K.S.A. 8-134, and amendments thereto, for any such license plate displayed on the front of such vehicle. One personalized license plate may be issued to any owner of a motorcycle upon proper application in the same manner provided in this subsection (c) for passenger vehicles and trucks. The \$40 fee shall be paid only once during the registration period for which such license plates were issued, and any subsequent renewals during the registration period shall be subject only to the registration fee prescribed by K.S.A. 8-143, and amendments thereto. The division shall design distinctive, personalized license plates to be issued which shall contain not more than seven letters or numbers on truck or passenger vehicle license plates and not more than five letters or numbers on motorcycle license plates, or a combination thereof, to be designated by the applicant in lieu of the letters and numbers required by K.S.A. 8-147, and amendments thereto, other than the letters

required to designate the county in which such vehicle is registered. Unless the letters or numbers designated by the applicant have been assigned to another vehicle ~~of the same type registered in the same county~~, or unless the letters or numbers designated by the applicant have a profane, vulgar, lewd or indecent meaning or connotation, as determined by the director of vehicles, the division shall assign such letters or numbers to the applicant's vehicle, and the letters or numbers, or combination thereof, so assigned shall be deemed the registration number of such vehicle. Subject to the foregoing provisions, all license plates issued under this section shall be manufactured in accordance with K.S.A. 8-147, and amendments thereto. Such license plates shall be issued for a registration period of five years commencing in 1985 and each five years thereafter.

The secretary of revenue shall adopt rules and regulations necessary to carry out the provisions of this act, including, without limitation, rules and regulations concerning (1) the procedure for insuring that duplicate license plates are not issued ~~in the same county~~ throughout the state, (2) the procedure for reserving distinctive license plates for the purpose of obtaining the same on each annual renewal of registration, (3) the procedure for allowing the transfer of personalized license plates from one vehicle to another for which such license plates were originally issued, when the title to the original vehicle has not been transferred and the name or names of the owner or owners listed on the titles to both vehicles are identical, and (4) procedures necessary to coordinate this act with other laws of this state governing registration of vehicles. The director of vehicles shall remit all moneys received by the division of vehicles under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state highway fund.

HOUSE BILL No. 2134

By Committee on Transportation

1-28

9 AN ACT relating to motor vehicles; concerning distinctive license plates;
10 amending K.S.A. 2008 Supp. 8-1,141 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. 2008 Supp. 8-1,141 is hereby amended to read as
15 follows: 8-1,141. (a) Any new distinctive license plate authorized for is-
16 suance on and after July 1, 1994, shall be subject to the personalized
17 license plate fee prescribed by subsection (c) of K.S.A. 8-132, and amend-
18 ments thereto. This section shall not apply to any distinctive license plate
19 authorized prior to July 1, 1994.

20 (b) The director of vehicles shall not issue any new distinctive license
21 plate authorized for issuance on and after July 1, 1995, unless there is a
22 guarantee of an initial issuance of at least 500 license plates.

23 (c) The provisions of this section shall not apply to distinctive license
24 plates issued under the provisions of K.S.A. 8-1,145, or K.S.A. 2008 Supp.
25 8-177d, and amendments thereto.

26 (d) The provisions of subsection (a), shall not apply to distinctive li-
27 cense plates issued under the provisions of K.S.A. 8-1,146 or 8-1,148, and
28 amendments thereto, or K.S.A. 2008 Supp. 8-1,153 or 8-1,158, and
29 amendments thereto.

30 (e) *The provisions of subsection (f) shall not apply to distinctive li-*
31 *cence plates issued under the provisions of K.S.A. 2008 Supp. 8-1,160,*
32 *and amendments thereto.*

33 ~~(e)~~ (f) (1) Any person or organization sponsoring any distinctive li-
34 cense plate authorized by the legislature on and after July 1, 2004, shall
35 submit to the division of vehicles a nonrefundable amount not to exceed
36 \$10,000, to defray the division's cost for developing such distinctive li-
37 cense plate.

38 (2) All moneys received under this subsection shall be remitted by
39 the secretary of revenue to the state treasurer in accordance with the
40 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
41 each such remittance, the state treasurer shall deposit the entire amount
42 in the state treasury to the credit of the distinctive license plate fund
43 which is hereby created in the state treasury. All moneys credited to the

, except that the division shall delay the manufacturing and issuance of such distinctive license plate until the division has received \$40,000 from the collection of the personalized license plate fee required under subsection (a). The personalized license plate fees collected pursuant to this section shall be credited to the distinctive license plate fund in accordance with subsection (f)(2), until the division has received such \$40,000

HOUSE BILL No. 2258

By Committee on Transportation

2-4

12 AN ACT relating to the vehicle dealers and manufacturers licensing act;
13 providing for the licensing and regulation of certain dealers; amending
14 K.S.A. 8-135c, 8-1.137, 8-2408, 8-2434 and 8-2436 and K.S.A. 2008
15 Supp. 8-2401 and 8-2404 and repealing the existing sections.
16

17 *Be it enacted by the Legislature of the State of Kansas:*

18 Section 1. K.S.A. 8-135c is hereby amended to read as follows: 8-
19 135c. (a) The provisions of this section shall be a part of and supplemental
20 to the provisions of article 1 of chapter 8 of the Kansas Statutes Anno-
21 tated, and as used in this section, the words and phrases defined by K.S.A.
22 8-126, and amendments thereto, shall have the meanings respectively
23 ascribed to them therein.

24 (b) As used in this section:

25 (1) "Nonrepairable vehicle" means any motor vehicle which: (A) Has
26 been damaged, destroyed, wrecked, burned or submerged in water to the
27 extent that such motor vehicle is incapable of safe operation for use on
28 roads or highways and has no resale value except as a source of parts or
29 scrap only; or (B) the owner irreversibly designates as a source of parts
30 or scrap;

31 (2) "nonrepairable vehicle certificate" means a motor vehicle own-
32 ership document issued by the division designating that vehicle a non-
33 repairable vehicle.

34 (c) (1) Except as otherwise provided by this section, the owner of a
35 vehicle that meets the definition of a nonrepairable vehicle shall apply to
36 the division for a nonrepairable vehicle certificate before the ownership
37 of the motor vehicle is transferred. In no event shall such application be
38 made more than 30 days after the vehicle is determined to be a nonre-
39 pairable vehicle.

40 (2) Every insurance company, which pursuant to a damage settle-
41 ment, acquires ownership of a vehicle that has incurred damage requiring
42 the vehicle to be designated a nonrepairable vehicle, shall apply to the
43 division for a nonrepairable vehicle certificate within 30 days after the

1 maintained:

2 (3) records are kept in the normal daily business activity; and

3 (4) records are made available for inspection.

4 (lh) "Salvage vehicle pool" means any person who as an agent for a
5 third party is primarily engaged in the business of storing, displaying and
6 offering for sale salvage vehicles.

7 (ii) "Major component part" means any vehicle part including the
8 front clip, rear clip, doors, frame, chassis, engine, transmission, transaxle,
9 cab, bed and box bearing the public vehicle identification number or
10 engine number, if manufactured prior to 1981; or any vehicle part bearing
11 a derivative of such number.

12 (jj) "Recreational motor vehicle" means a recreational vehicle as de-
13 fined by subsection (f) of K.S.A. 75-1212, and amendments thereto.

14 (kk) "Vehicle crusher" means any person, other than a vehicle recy-
15 cles or a scrap metal recycler, who engages in the business of flattening,
16 crushing or otherwise processing ~~end-of-life~~ **nonrepairable** vehicles for
17 recycling. Vehicle crushers include, but are not limited to, persons who
18 use fixed or mobile equipment to flatten or crush ~~end-of-life~~ **nonrepair-**
19 **able** vehicles for a vehicle recycler or a scrap metal recycler.

20 (ll) "Vehicle recycler" means a person who engages in the business of
21 acquiring, dismantling, removing parts from or destroying ~~end-of-life~~
22 **nonrepairable** vehicles for the primary purpose of reselling the vehicle
23 parts.

24 (mm) "Scrap metal recycler" means a person who engages in the busi-
25 ness of shredding or otherwise processing ~~end-of-life~~ **nonrepairable** ve-
26 hicles ~~or~~ other scrap metal into prepared grades and whose principal
27 product is scrap iron, scrap steel or nonferrous metallic scrap for sale for
28 remelting purposes.

, in whole or in part

29 (nn) "~~End-of-life vehicle~~" means any vehicle that is sold, given or
30 otherwise conveyed to a vehicle recycler or scrap metal recycler for pur-
31 poses of resale of its parts or recycling. "**Nonrepairable vehicle**" means
32 any motor vehicle which: (1) Has been damaged, destroyed,
33 wrecked, burned or submerged in water to the extent that such
34 motor vehicle is incapable of safe operation for use on roads or
35 highways and has no resale value except as a source of parts or
36 scrap only; or (2) the owner irreversibly designates as a source of
37 parts or scrap".

38 (oo) "Rebuilder" means a person who is engaged in the business of
39 rebuilding salvage vehicles, as defined in K.S.A. 8-196, and amendments
40 thereto, and selling such rebuilt salvage vehicles.

41 Sec. 4. K.S.A. 2008 Supp. 8-2404 is hereby amended to read as fol-
42 lows: 8-2404. (a) No vehicle dealer shall engage in business in this state
43 without obtaining a license as required by this act. Any vehicle dealer