

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on March 19, 2010, in Room 152-S of the Capitol.

All members were present.

Committee staff present:

Bruce Kinzie, Office of the Revisor of Statutes
Daniel Yoza, Office of the Revisor of Statutes
Jill Shelley, Kansas Legislative Research Department
Cindy Shepard, Committee Assistant

Conferees appearing before the Committee:

Mark Schemm, Treasurer, Smith County
Joe Grisolano, Treasurer, Crawford County
Chris Tymeson, Chief Attorney, Kansas Department of Wildlife and Parks

Others attending:

See attached list.

The Chairman called for final action on **HB 2561 - Allowing transit buses to be operated on right shoulder of certain highways.**

Senator Huntington moved, Senator Kultala seconded, to amend HB 2561 by limiting it to Johnson County, and to require the Secretary of Transportation and Johnson County to report to the Legislature annually on the program. Motion carried. Senator Donovan voted no and requested his vote recorded.

Senator Huntington moved, Senator Kultala seconded, to recommend HB 2561, as amended, favorably for passage. Motion carried. Senator Donovan voted no and requested his vote recorded.

The Chairman opened the hearing on **SB 577 - Requiring vessels to be titled.** Daniel Yoza, staff revisor, reviewed the bill.

Vice Chairman Marshall assumed Chair of the meeting. He requested additional information from Bruce Kinzie, staff revisor, for further clarification on the bill. Mr. Kinzie gave a historical perspective on the bill, stating that this issue has been around for 20 to 25 years.

Mark Schemm, Smith County Treasurer and President of the Kansas County Treasurers Association, spoke as a proponent of **SB 577**, stating that the bill would require a Kansas certificate of Title to be issued on all watercraft vessels owned by Kansas residents. Titling watercraft will be easily accepted in the DMVS system, due to come online next year. He stated that most states title watercraft and passage of the bill will benefit the boating public, lien holders, Kansas Department of Wildlife and Parks (KDWP) and law enforcement agencies across the nation (Attachment 1).

Joe Grisolano, Crawford County Treasurer and Vice President of the Kansas County Treasurers Association, appeared in favor of **SB 577**. According to Mr. Grisolano, most boat owners would like to have a title for their vessel. Requiring titles will make it easier for Kansas Banks to perfect a lien, for KDWP to keep a current inventory of all Kansas watercraft, and benefit law enforcement in tracking stolen boats. Additionally, **SB 577** will generate revenue for the State of Kansas through titling fees (Attachment 2).

Chairman Umbarger returned and assumed Chair of the meeting.

Chris Tymeson, Chief Attorney, KDWP, testified in support of **SB 577**. He stated that vessel theft is a continuing problem for KDWP, and states that do not have titling laws are a dumping grounds for marine theft. He indicated technical changes would be offered in a balloon amendment on the Senate floor, if the bill passes out of this Committee. Mr. Tymeson clarified that this is a titling bill, not a Wildlife and Parks registration bill.

CONTINUATION SHEET

Minutes of the Senate Transportation Committee at 8:30 a.m. on March 19, 2010, in Room 152-S of the Capitol.

There being no further conferees, the hearing on **SB 577** was closed.

Chairman Umbarger requested, from the Kansas Bankers Association and the Division of Vehicles, their position on **SB 577**. Doug Wareham, representing the Kansas Bankers Association, indicated that they are in support of the bill, noting it will help the bankers.

Carmen Alldritt, Director of the Division of Vehicles, stated that the Department was in favor of this legislation, and needs it this year in order to work it into the new DMVS system. She requested the date to be changed from 2012 to 2013.

Senator Apple expressed concern about this bill coming so late in the session, the language taking three months to be developed, and if it not going to take effect until 2013 he suggested bringing it back at the first of next year to iron out all the details.

After further discussion, Senator Hensley moved, Senator Huntington seconded, to amend SB 577 by changing the date to 2013 on page 6, section 4 and on page 11, section 13. Motion carried.

Senator Hensley moved, Senator Kultala seconded, to recommend SB 577, as amended, favorably for passage. Motion carried.

The meeting was adjourned at 9:30 a.m. No other meetings are scheduled.

KANSAS COUNTY TREASURER'S ASSOCIATION

MARK E. SCHEMM
SMITH COUNTY TREASURER
PRESIDENT

**TESTIMONY PRESENTED BY MARK E. SCHEMM,
SMITH COUNTY TREASURER
PRESIDENT, KANSAS COUNTY TREASURER'S ASSOCIATION
SUPPORTING SB577
BY SENATE TRANSPORTATION COMMITTEE**

Chairman Umbarger and Members of this Committee:

My name is Mark Schemm, Smith County Treasurer, President of the Kansas County Treasurer's Association and member of the Association's Legislative Committee. I appreciate the opportunity you've given me to testify on behalf of Kansas County Treasurers in support of Senate Bill 577. The bill, if passed, would require a Kansas certificate of Title to be issued on all watercraft vessels owned by Kansas residents.

Many times customers come into County Treasurer offices across the state requesting a title for their watercraft and are surprised when they are told that Kansas does not title watercrafts. Often times their lien holders are requiring that they title their watercraft so that the lien can be perfected on a Kansas title.

Most states title watercraft causing a new Kansas resident to require a Kansas title in order to keep a lien holder happy.

Passing SB 577 will generate additional revenue for Kansas Department of Wildlife and Parks and the State of Kansas through titling fees.

Passing SB 577 will also benefit the public in the form of consumer safety by having a VIN number on file with the state of Kansas in the event that the watercraft is stolen. Also, lien holders will be able to identify watercraft that would be involved with repossession or other issues.

Titling watercraft will be easily accepted in the DMVS system due to come online next year.

In conclusion, Senate Bill 577 will benefit the boating public across the state, lien holders, Kansas Department of Wildlife and Parks, and law enforcement agencies across the nation with minimum expense to the boating public.

At this time, I will stand for questions or comments from the committee.

March 19, 2010

TO: Kansas Senate Transportation Committee

FROM: Joe Grisolano, Crawford County Treasurer
Vice President, Kansas County Treasurers Association

SUBJECT: SB 577

Chairman Umbarger and Committee Members:

On behalf of the Kansas County Treasurers Association, I am here today to speak in favor of SB 577. This bill requires a certificate of title to be issued on all watercraft or "vessels" in Kansas.

Currently, when a boat owner comes into a County Treasurer's Office requesting a title, we have to inform them that Kansas is not a titling state. Most boat owners would like to have a title for their vessel, especially if they are going to be moving it to another state. If the boat was purchased from an out of state dealer, the county treasurer collects sales tax, gives the owner a receipt and the owner goes to a Kansas dealer to get the Wildlife and Parks registration numbers.

Most states already require a certificate of title on watercraft. Requiring titles will make it easier for Kansas Banks to perfect a lien, for the Kansas Department of Wildlife and Parks to keep a current inventory of all Kansas watercraft, and benefit law enforcement in tracking stolen boats.

SB 577 will generate additional revenue for the Kansas Department of Wildlife and Parks and the State of Kansas through titling fees.

Administration of SB 577 should be relatively easy, especially with the new DMVS software system coming on line next year. This legislation will be beneficial to boat owners, Kansas Bankers, Wildlife and Parks, and the State of Kansas. Thank you for your consideration of this bill and for allowing me to address you today.

Senate Transportation

3-19-10

Attachment 2