

CHAPTER 36
HOUSE BILL No. 2188

AN ACT amending the vehicle dealers and manufacturers licensing act; providing for a dealer-hauler full-privilege trailer license plate; amending K.S.A. 8-2406 and 8-2425 and repealing the existing sections.

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

Section 1. K.S.A. 8-2406 is hereby amended to read as follows: 8-2406. (a) The annual fee for the first dealer license plate is \$275, and the annual fee for additional dealer license plates shall be an amount equal to the amount required to register a passenger vehicle having a gross weight of less than 4,500 pounds, except that the annual fee for dealer license plates used by trailer dealers on trailers which they have purchased or own and are holding for resale shall be \$25 for each plate. To determine the number of dealer license plates the dealer needs, the director may base the decision on the dealer's past sales, inventory and any other pertinent factors as the director may determine. After the end of the first year of licensure as a dealer, not more than one dealer license plate shall be issued to any dealer who has not reported to the division the sale of at least five motor vehicles in the preceding year. There shall be no refund of fees for dealer license plates in the event of suspension, revocation or voluntary cancellation of a license. The director is hereby authorized to designate by identifying symbols on a dealer's license plate the type of dealer's license that the person has been issued. If a dealer has an established place of business in more than one county, such dealer shall secure a separate and distinct dealer's license and dealer license plates for each established place of business.

(b) New motor vehicle dealers and used motor vehicle dealers may authorize use of dealer license plates assigned to such motor vehicle dealers as follows:

- (1) The licensed motor vehicle dealer and such dealer's spouse;
- (2) the sales manager and all other sales personnel when such manager and sales personnel are properly licensed in Kansas, except that no dealer license plate shall be assigned to sales personnel who are working at the established place of business of the dealer less than 20 hours per week;
- (3) any employee of such motor vehicle dealer when the use thereof is directly connected to a particular business transaction of such motor vehicle dealer;
- (4) the customer when operating a motor vehicle in connection with negotiations to purchase such motor vehicle or during a demonstration of such motor vehicle;
- (5) any school district and any accredited nonpublic school which has entered into an agreement with a dealer to use a motor vehicle as a driver training motor vehicle, as defined in K.S.A. 72-5015, and amendments thereto, in an approved driver training course.

(c) A wholesaler dealer may authorize the use of dealer license plates on vehicles purchased by the wholesaler for resale to a retail vehicle dealer as follows:

- (1) To transport or operate a vehicle to or from a licensed retail or wholesale vehicle dealer for the purpose of buying, selling, or offering or attempting to negotiate a sale of the vehicle to a licensed vehicle dealer;
- (2) to deliver a vehicle purchased from the wholesale vehicle dealer to a purchasing vehicle dealer.

(d) Salvage vehicle dealers may use dealer license plates only on vehicles which they have purchased for salvage, including dismantling, disassembling or recycling.

(e) Insurance companies may use dealer license plates only on vehicles purchased or acquired for salvage in the course of business of the insurance company.

(f) Lending agencies may use dealer license plates only on vehicles which they have repossessed or are holding for disposition due to repossession.

(g) Trailer dealers may use dealer license plates only on trailers which they have purchased or own and are holding for resale.

(h) Brokers are not entitled to be assigned or to use any dealer license plates.

(i) Except as provided above, dealer license plates shall be used only

in accordance with the provisions of K.S.A. 8-136, and amendments thereto. This subsection (i) does not apply to K.S.A. 8-2425, and amendments thereto, or full-privilege license plates or *dealer-hauler full-privilege trailer license plates* issued thereunder.

Sec. 2. K.S.A. 8-2425 is hereby amended to read as follows: 8-2425.

(a) When a first dealer license plate has been issued under K.S.A. 8-2406, and amendments thereto, the secretary of revenue may issue full-privilege license plates or *dealer-hauler full-privilege trailer license plates*, in accordance with the provisions of this section, to a licensed manufacturer of or licensed dealer in vehicles. In no calendar year shall the secretary issue in excess of 10 of each type of such license plates to any licensed manufacturer or dealer.

(b) The annual fee for each: (1) Full-privilege license plate shall be ~~\$350~~ \$350.50; and (2) *dealer-hauler full-privilege trailer license plate* shall be \$350.50.

(c) The secretary shall, upon application provided by the secretary and payment of the fee required in subsection (b), issue to the applicant ~~appropriate passenger car or truck license plates. Each license plate so issued shall be a full-privilege license plate which shall expire on the January 31 next following its issuance~~ the appropriate full-privilege license plate, which shall expire on the January 31 next following its issuance, except that the dealer shall have until and including the last day of February of each year within which to make application for renewal.

(d) Subject to subsection (e), a full-privilege license plate may be used in lieu of regular vehicle registration and license plate. A *full-privilege license plate may be used on passenger cars or trucks*. A full-privilege license plate may be transferred from one vehicle to another owned or in inventory of such manufacturer or dealer and may be assigned for use by any person, at the discretion of the manufacturer or dealer to whom it is issued. The person to whom a full-privilege license plate is assigned for use shall be only a person who is: (1) A member of the immediate family of the licensed manufacturer of or licensed dealer in vehicles; (2) a corporate officer of the licensed manufacturer of or licensed dealer in vehicles; or (3) an employee of the licensed manufacturer of or licensed dealer in vehicles.

(e) A full-privilege license plate shall not be used on a lease or rental vehicle. A full-privilege license plate shall not permit any vehicle to be operated or moved upon a highway to haul commodities weighing in excess of two tons. A full-privilege license plate shall not be used on a wrecker or tow truck when providing wrecker or towing service as defined by K.S.A. 66-1329, and amendments thereto.

(f) *A dealer-hauler full-privilege trailer license plate may be used by a trailer manufacturer or trailer dealer in lieu of a regular trailer registration and license plate. A dealer-hauler full-privilege trailer license plate may be used only on trailers. A dealer-hauler full-privilege trailer license plate may be transferred from one trailer to another owned or in inventory of the trailer manufacturer or trailer dealer to whom issued. A dealer-hauler full-privilege trailer license plate may be used by a trailer manufacturer or trailer dealer to haul nonhighway equipment, as defined in rules and regulations, for either demonstration purposes or delivery, if the weight of the trailer and nonhighway equipment does not exceed 85,500 pounds. The dealer-hauler full-privilege trailer license plate shall expire on the January 31 next following its issuance, except that the dealer shall have until and including the last day of February of each year within which to make application for renewal.*

(g) Fees received under this section shall be divided equally between the county treasurer in which the licensed manufacturer or dealer has its established place of business and the secretary of revenue. Amounts allotted to the secretary of revenue shall be remitted 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 vehicle dealers and manufacturers fee fund which fund is hereby created in the state treasury. Expenditures from the vehicle dealers and manufacturers fee fund shall be made on vouchers approved by the secretary of revenue, or a person designated by the secretary, for enforcement of the vehicle dealers and manufacturers licensing act in accordance with appropriations therefor. Amounts allotted to the county treasurers shall be credited to the county treasurers' vehicle licensing fee fund which

fund is hereby created in the state treasury. Amounts due each county treasurer shall be paid quarterly from such fund upon vouchers approved by the secretary of revenue or a person designated by the secretary. Amounts received by each county treasurer shall be deposited, appropriated and used as provided by K.S.A. 8-145, and amendments thereto.

~~(g)~~ (h) The provisions of K.S.A. 8-136 and 8-2406, and amendments thereto, shall not apply to full-privilege license plates or *dealer-hauler full-privilege trailer license plates* or the use thereof.

~~(h) This section shall take effect and be in force from and after January 1, 1986.~~

Sec. 3. K.S.A. 8-2406 and 8-2425 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

Approved March 27, 2009.