SESSION OF 2025

SUPPLEMENTAL NOTE ON SENATE BILL NO. 97

As Amended by Senate Committee on <u>Transportation</u>

Brief*

SB 97, as amended, would require a vehicle dealer that obtains ownership of a used all-terrain, work-site utility, recreational off-highway vehicle, or motorcycle that would otherwise qualify as a nonhighway vehicle, to apply to the county treasurer for a dealer inventory-only title.

The bill would require a \$10 fee and either a bill of sale or certificate of title to accompany the application for a dealer inventory only title.

Background

SB 97 was introduced by the Senate Committee on Transportation at the request of Senator Owens.

Senate Committee on Transportation

In the Senate Committee hearing, Senator Owens offered **proponent** testimony, generally stating that the bill would incentivize more business in Kansas by giving citizens the option to acquire a title for a nonhighway vehicle instead of requiring it and would clarify the law.

No other testimony was provided.

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at https://klrd.gov/

As introduced, the bill would have amended law to authorize, rather than require, a purchaser to obtain a nonhighway certificate of title for a nonhighway or salvage vehicle and would have amended the Vehicle Dealers and Manufacturers Licensing Act to exempt vehicle dealers from providing a certificate of title for nonhighway vehicles to law enforcement for the purpose of investigation or inspection when the dealer elects not to obtain such title.

The Senate Committee amended the bill to remove amendments to the Vehicle Dealers and Manufacturers Licensing Act and to replace other amendments with the provisions described above.

Fiscal Information

According to the fiscal note provided by the Division of the Budget on the bill as introduced, the Department of Revenue indicates enactment of the bill would require expenditures of \$1,200 from the State General Fund in FY 2026.

The Kansas Department of Insurance indicates enactment of the bill would have no fiscal effect on agency operations.

The Kansas Association of Counties states enactment of the bill would have a fiscal effect on counties but does not have enough information to estimate that effect.

No revised fiscal note was available when the Senate Committee took action on the bill.

Any fiscal effect associated with enactment of SB 97 is not reflected in *The FY 2026 Governor's Budget Report*.

Transportation; nonhighway vehicles; vehicle dealers; title