

## MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 8:30 A.M. on March 8, 2005 in Room 527-S of the Capitol.

All members were present except:  
Anthony Hensley- excused

Committee staff present:  
Hank Avila, Kansas Legislative Research Department  
Bruce Kinzie, Revisors of Statutes  
Maggie Breen, Committee Secretary

Conferees appearing before the committee:  
Tom Whitaker, Kansas Motor Carriers Association  
Tim Sowton, R. L. Polk & Company  
John Hecklinger, CARFAX

Others attending:  
See attached list.

**HB 2297 - Interstate motor fuel use act, exemptions**

Proponent:

Tom Whitaker, Executive Director, Kansas Motor Carriers Association, appeared asking for the committee's support of **HB 2297**. It's a rather unique bill as it has a positive fiscal note yet doesn't tax Kansans. Currently, a Kansas farm registered truck weighing over 26,000 pounds or having three or more axles must have a fuel permit or what is called an Interstate Motor Tax Agreement (IFTA) license to operate in our surrounding states. Yet, Kansas law allows a farm truck registered in another state to enter Kansas without purchasing a fuel permit or having an IFTA license. In addition, Missouri based vehicles that operate into Kansas in an area known as the Kansas Commercial Zone do not pay fuel tax to Kansas for the miles operated in Kansas. However,

Kansas based vehicles do pay Missouri fuel tax for the miles operated on the Missouri side of the border. This bill corrects these inequities. The end result could be reciprocity agreements with the other states for our farm trucks and our commercial zone or, if the fiscal note comes in with enough money, they would come back to the committee and ask for a single tag. There would be a one time fee for trailers and they would take care of the county treasurers to make sure they are held harmless. (Attachment 1) Mr. Whitaker also handed out a booklet titled *2004 Truckin' Through Kansas*. A copy is located in Chairman Donovan's office.

Senator Wilson moved to pass the bill out favorably. Senator Petersen seconded the motion. Motion carried.

**Final Action on HB 2215 - Commercial driver's licenses, hazmat fee fund**

Chairman Donovan reminded the committee that amendments to the bill were approved at the last meeting but final action was delayed at the request of Senator Petersen. Chairman Donovan asked Senator Petersen if his questions had been answered. Senator Peterson said they had been fully answered and he is fully supportive of the bill.

Senator Petersen moved to pass the bill favorably as amended. Senator O'Connor seconded the motion. Motion carried. Senator Petersen will carry the bill.

**Briefing on Vehicle Inspection Reports**

Tim Sowton, Regional Director, Governmental Relations, said his company, R. L. Polk & Company, is the parent company of CARFAX. Polk is a company that was founded in 1870. In the past they were best known for the Polk business directories. What they're most known for today is their affiliation with the automobile industry including: automotive statistical reports, recall efforts, and CARFAX - Used Vehicles History Reports. In fact, the CARFAX product is probably the star pupil of the Polk line of products. He introduced

## CONTINUATION SHEET

MINUTES OF THE Senate Transportation Committee at 8:30 A.M. on March 8, 2005 in Room 527-S of the Capitol.

John Hecklinger.

John Hecklinger, Director, Data Acquisition CARFAX, said they are the nation's leading vehicle history company. They exist to assist buyers and sellers of used cars, whether consumers or businesses, make smarter decisions regarding those cars. They were born in Columbia, Missouri in 1986 and still have a large data facility there but their headquarters are in Fairfax, Virginia. They are a consumer company and a business-to-business company. They have over 25 million website visitors to carfax.com every year and over 26,000 businesses use CARFAX everyday. Primarily, these are businesses like Senator Donovan's car dealership who are using CARFAX to evaluate trade-ins and, increasingly, to use a CARFAX report in the sales process so the consumer feels better about buying the car, making the transaction more valuable for everybody. They also partner with over 1,500 law enforcement agencies, including 36 agencies in Kansas. CARFAX provides a complimentary report service which enables law enforcement to help fight vehicle fraud. Whether it's a stolen vehicle, cloned vehicle, or an exported vehicle, they work with law enforcement to stamp out vehicle fraud. (Attachment 2)

CARFAX guarantees their information. As a consumer, when you run a report at carfax.com, if you're not satisfied with the report, you are offered your money back guaranteed. Just tell them you're dissatisfied and your money will be refunded. Also, if a big mistake is made, such as running a report and being told there's no branded title, no salvage title, or rebuilt title, and you find out later they were wrong about that, your car will be bought back for what you paid for it. CARFAX recently bought back their first car, which unfortunately happened to be a Corvette in Texas. Their database has over 3.5 billion unique vehicle events, they have over 6,300 different sources of information, and they can produce a report on almost any vehicle in the U.S. post 1981 model year. Very importantly, they are about cars, not people. They do not collect, store, or use any personal identifiable information in their database. It is strictly based on the VIN. They are not collectors of personal information in any way. They do purchase, with Polk, title information from Kansas along with police reported accidents so they appreciate Kansas' contribution to consumer protection.

Also, there is a new pilot program in place where CARFAX reports are being offered at the Department of Motor Vehicles (DMV's) in a number of Kansas counties right now, so they are hoping to expand the partnership with the State of Kansas and hopefully bring some revenue back to the state. It's a brand new program and starting slow but he is confident that it can be a very big success going forward. It's also worth mentioning that Pinegar and Smith represents Polk and CARFAX here in Kansas and they appreciate that partnership as well.

Senator Journey asked what the revenue split was with the DOR. Toni Roberts, DOR, said currently they entered into an agreement to do a 120 day pilot with CARFAX and it involves five different county treasurer's offices. CARFAX asked that they pay them \$10 of the \$20 that they receive for the sale of the history report. The county treasurer's office keeps \$5 and sends \$5 to the state. Toni said brochures have been provide by CARFAX free of charge and it has been working out well.

Chairman Donovan asked if CARFAX or the state plans on doing any advertising to let the public know of the service. Toni said that currently the Department didn't have a budget for the marketing aspect of it but general press release type information had been provided and utilized as well as signage and the brochures. Chairman Donovan asked what CARFAX's thoughts were on doing some advertising. John Hecklinger said it really is a fantastic partnership so he'd bring home the message that there is a desire to do more in terms of PR and advertising.

Senator Palmer asked what counties were participating in the pilot. Toni said Riley, Smith, Shawnee, Anderson, and Ford. Senator Petersen asked if the consumer could register for the guarantee as well as obtain the report. Toni said yes.

Senator O'Connor moved to approve the committee minutes of March 3, 2005. Senator Wilson seconded the motion. Motion carried.

Meeting adjourned at 9:02 a.m. The next meeting is scheduled for March 9, 2005.