

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 8:40 A.M. on February 22, 2006 in Room 527-S of the Capitol.

All members were present.

Committee staff present:

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

Conferees appearing before the committee:

Sally General Counsel, KDOT
Phillip Bradley, Kansas Licensed Beverage Association
Alan Anderson, Chief of Kansas Driver's License Examining Bureau
Don McNeeley, Kansas Automobile Dealers Association
Kathy Olsen, Kansas Bankers Association
Bill Henry, Kansas Credit Unions Association

Others attending:

See attached list.

Chairman Donovan opened the discussion on **SB 253 -Highway advertising control act of 1972, amendments.**

Sally Howard, General Counsel, KDOT, covered the changes in the bill since the hearing. The definition of visible was changed back to the old language which meant deleting "whether legible or not." Federal Highway said it was parenthetical and not necessary. The other main change is 68-2234 (f). They had intended to strike less restrictive but the League of Municipalities had a problem with that so they left it in. KDOT recognizes that some signs are going to need to be "grandfathered." Once the bills goes through, new things will be required. They are all right with the cities taking control over their jurisdictions but on Interstates they would like for them to be at least as restrictive as KDOT's requirement in respect to the size and spacing of the signs. Also there are a couple of small changes: "shall be met" needs to follow "and amendments thereto." Subsection (g) was significantly shortened. They were providing guidance to the cities about what they considered spot zoning and the League felt that the cities might think they were being told what to do a little too much. There was a point where they mentioned you couldn't build a sign more that 660 feet from the highway. That's not consistent with the visible language so it was stricken. (Attachment 1)

Chairman Donovan asked if the other people involved were satisfied with the changes. Tom Palace said the sign people were fine with them. The League of Kansas Municipalities said they were now fine with the bill.

Senator Wilson made a motion to move **Substitute for SB 253** out favorably. Senator Schmidt seconded the motion. The motion carried.

Senator Palmer said she had two amendments to the Substitute bill. The first amendment provides for the secretary of transportation to compile and maintain a current listing of all signs available for the purpose of increasing tourism or economic development. (Attachment 2)

Senator Palmer made a motion to move her amendment to **Substitute for SB 253**. Senator Wilson seconded the motion. The motion carried.

Senator Palmer's presented her second amendment (recorder did not pick up her explanation). (Attachment 3)

Ms. Howard said the only concern she has with the proposed amendment is on page 22 (of attachment) where it says the department or its agent shall give 60-days notice by certified mail return receipt request. She said she felt the return receipt could cause a problem if the person just didn't return it. She asked if sending it certified mail would suffice. Senator Palmer said she didn't have a problem with that.

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Bruce said he would make the change.

Senator Palmer made a motion to adopt her second amendment as changed. Senator Wilson seconded the motion. The motion carried.

Senator Wilson made a motion to move **Substitute for SB 253** out favorably. Senator Palmer seconded the motion. The motion carried.

(Bruce Kinzie said that the amendments just became part of the changes that made up **Substitute for SB 253** so the bill wasn't reported as amended.)

Chairman Donovan opened the hearing on **SB 554 - Expiration of driver's licenses for people under 21 years of age.**

Phillip Bradley, Kansas Licensed Beverage Association, said **SB 554** is very simple bill. We currently have in our state vertical and horizontal driver's licenses and ID cards. Those under the age of 21 are issued a vertical card. When the bill was passed in 2003, a fatal flaw was made. We neglected to put in "this driver's license expires on the 21st birthday." It happens on the ID card. Right now, if you're over 21, you can be carrying a vertical driver's license. This bill resolves the issue. Over 24 states are doing this. Law enforcement supports this bill. He said the Bruce Kinzie and the Department of Revenue have brought up a small technical amendment that adjusts the fee structure. (Attachment 4)

Bruce Kinzie explained the fee structure. (Attachment 5)

Alan Anderson, Chief of Kansas Driver's License Examining Bureau, said they've had about 35,000 people a year for the last several years. Once they get the first few years of renewals on the right cycle, they won't have any additional expense. The number is small compared to the 500,000 to 600,000 they send out a year. They don't see it as being a great additional expense. (Attachment 6)

Sheriff Randy Rogers, Kansas Sheriff's Association - Written only (Attachment 7)

Chairman Donovan closed the hearing on **SB 554** and asked the committee their wishes.

Senator Schmidt made a motion to adopt the amendment to **SB 554**. Senator Wilson seconded the motion. The motion carried.

Senator Schmidt made a motion to move **SB 554** out favorably as amended. Senator Palmer seconded the motion. The motion carried.

Chairman Donovan opened the hearing on **SB 558 - Lien release on vehicles, penalties for failure to.**

Don McNeeley, Kansas Automobile Dealers Association, said **SB 558** is needed due to two problems they are experiencing under current statute. The first problem is that new and used motor vehicle dealers buy a used car and don't have a clear title, due to a lien or encumbrance on the vehicle. Even though the lien payoff has been made, the dealer cannot sell this vehicle until the certificate of title has been delivered to the dealer by the lien holder or cleared electronically through the Division of Vehicles. Substantial delays frequently occur, in violation of current law. The second problem is when a consumer pays off his loan on a vehicle and wants to sell the vehicle privately but the lien has not been released. The delay in receipt of the title to the dealer or owner has typically been 2 to 3 weeks and even as much as a month or two. This bill places penalties on the delay of the release of the lien. (Attachment 8)

Kathy Olsen, Kansas Bankers Association, said they helped draft the bill but had some friendly amendments that she thinks will go a long ways to make the bill more workable for all the parties. On lines 16 and 21 they have added the word "business." On line 17 and 22 it is made clear that "a request for the release of the lien" is needed. On line 34 they added the word "or delivered" to allow for the release to be faxed. Finally, on line 36 and 37, they have clarified that when it is delivered "electronically to the division"

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it meets the delivered requirement. (Attachment 9)

Bill Henry, Kansas Credit Unions Association, appeared as an opponent. He said they didn't take part in any of the discussions as the bill was draw up. Their chief objection to the bill is they find the penalties to be somewhat draconian. On page 2 in subsection (2), for the first violation a civil penalty can be assessed for not less than \$100 but not more than \$500. The civil penalty for a second violation, would amount to not less that \$500 up to \$2,000. There are other provisions he also sites in his testimony. They believe it is a somewhat tough response. They believe it's important for commerce to move these liens quickly and make every attempt as credit unions to comply with the current statute. But they have difficulty with the penalties. (Attachment 10)

Senator Apple made a motion to amend SB 558 by adding the words "within a twelve-month period" after "for each subsequent violation." Senator Wilson seconded the motion. The motion carried.

Senator Apple made a motion to adopt the technical amendments presented by Kathy Olsen. Senator Wilson seconded the motion. The motion carried.

Senator Wilson made a motion to move SB 558 out favorably as amended. Senator Apple seconded the motion. The motion carried.

The meeting adjourned at 9:33 a.m.

The next meeting date is to be determined.