

SESSION OF 2015

SUPPLEMENTAL NOTE ON SENATE BILL NO. 21

As Recommended by Senate Committee on
Transportation

Brief*

SB 21 would amend the economic and safety regulation of commercial motor vehicles operated solely in intrastate commerce.

Economic regulation. In the law exempting certain motor carriers from requirements to obtain a certificate, license, or permit from the Kansas Corporation Commission (KCC) or file rates, tariffs, annual reports, or proof of insurance with the KCC (“economic regulation”), the bill would replace an exemption set to expire July 1, 2015. Current law exempts all commercial motor vehicles operating in intrastate commerce that weigh less than 26,001 pounds and meet certain restrictions. The bill would exempt certain private motor carriers: those domiciled in Kansas; operating commercial motor vehicles with gross vehicle weights (GVW), gross vehicle weight ratings (GVWR), gross combination weights (GCW), or gross combination weight ratings (GCWR) of 10,000 to 26,000 pounds; and registered in Kansas. As under the current exemption, the exemption in this bill would not be applicable to commercial motor vehicles, regardless of weight, that are used to transport 16 or more passengers (including the driver); intrastate public (for-hire) carriers of property or passengers; or motor vehicles used in the transportation of hazardous materials and required to be placarded under federal law.

The bill would define “domicile” as the principal place of business of a motor carrier in law exempting these types of

*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 <http://www.kslegislature.org>

motor carriers from economic regulation: any private motor carrier operating within a 25-mile radius beyond its city of domicile; any taxi or bus company operating exclusively within any city or within a 25-mile radius beyond its city of domicile; and the private motor carriers described above.

Safety regulation. The bill would exempt certain specified motor carriers from the safety provisions of 49 CFR parts 390 through 399 adopted by reference in the KCC's rules and regulations, rather than from "any" safety requirements in the KCC rules and regulations.

Of the exempted motor carriers, the bill would replace an exemption for commercial motor vehicles with GVW, GVWR, GCW, or GCWR of 26,000 pounds or less with an exemption for private motor carriers domiciled in Kansas operating commercial motor vehicles with a GVW, GVWR, GCW, or GCWR of 10,001 to 26,000 pounds and registered in Kansas. The exemption in current law expires July 1, 2015. The private motor carriers would be required to comply with certain safety requirements regarding load securement, coupling devices, and vehicle inspection. The bill would define "domicile" the same way as in the economic regulation portion of the bill. As under the current exemption, the exemption in this bill would not apply to commercial motor vehicles, regardless of weight, that are used to transport 16 or more passengers (including the driver); intrastate public (for-hire) carriers of property or passengers; or motor vehicles used in the transportation of hazardous materials and required to be placarded under federal law.

Additional groups that would be exempted from the safety provisions of 49 CFR parts 390 through 399 as adopted by reference in the KCC's rules and regulations would be those currently exempted from any commercial motor vehicle safety rules and regulations of the KCC: the owner of livestock or producer of farm products transporting livestock or farm products under certain circumstances; transporting children to and from school or motor vehicles owned by schools, colleges, religious and charitable

organizations and institutions, or governmental agencies, when used to convey students or similar activities; certain grain transport vehicles; hearses, ambulances, and similar vehicles by motor carriers; government vehicles; not-for-profit van pools using vehicles seating no more than 15, including the driver; and any vehicle used by a person actively engaged in buying, selling, or exchanging implements of husbandry within 100 miles of the person's established place of business, unless the implement of husbandry is transported on a commercial motor vehicle.

The bill also would make technical changes.

The bill would be in effect upon publication in the *Kansas Register*.

Background

KSA 2014 Supp. 66-1,108 defines "private motor carrier" as "a person who provides transportation of property or passengers, by commercial motor vehicle and is not a for hire motor carrier." That statute also defines "public motor carrier of property" as "any person who undertakes for hire to transport by commercial motor vehicle, from place to place, the property other than household goods of others who may choose to employ or contract with the motor carrier." A "commercial motor vehicle" is defined in KAR 82-4-1 as a vehicle with a GCW, GCWR, GCW, or GCVW of 10,001 pounds or more or meets these other specifications: a vehicle transporting more than 8 passengers for hire, a vehicle designed or used to transport more than 15 passengers, including the driver, and is not used to transport passengers for compensation; or a vehicle that transports hazardous materials in a quantity for which a placard is required.

The bill was introduced by the Senate Transportation Committee at the request of the KCC. In the Senate Transportation Committee, a representative of the KCC testified the bill would amend the KCC's economic and safety

statutes by limiting those provisions to medium class private motor carriers, as recommended by a statewide task force that met during the interim. Other proponents included representatives of the the Kansas Building Industry Association, the Kansas Livestock Association, and the Kansas Motor Carriers Association. The president of the Kansas Association of Well Service Contractors submitted written proponent testimony. There was no neutral or opposition testimony.

According to the fiscal note prepared by the Division of the Budget on the bill, the bill would result in \$20,000 of revenue annually, beginning in FY 2016, to be deposited in the Motor Carrier License Fee Fund of the KCC. The Kansas Department of Revenue indicates passage of the bill would have no fiscal effect on the agency. Any fiscal effect associated with the bill is not reflected in *The FY 2016 Governor's Budget Report*.