

Samuel M. Williams, Secretary
Lisa Kaspar, Director

Sam Brownback, Governor

WRITTEN TESTIMONY

To: Chairman Waymaster and Members of the House Appropriations Committee
From: Ted Smith, Kansas Department of Revenue
Date: February 9, 2017
Re: Testimony for HB 2068 (2017) – Act Concerning Child Support Enforcement

Good morning Chairman and Members of the Committee:

Thank you for the opportunity to appear today and testify on behalf of the Kansas Department of Revenue. The Department of Revenue has a neutral position on the Bill. This testimony is being presented to provide members of the Committee with more context to the Bills potential effects on a subset of the the State's motor vehicle registrations (3,201,828 vehicles a year), vehicle title issuance, (1,154,214 vehicles a year) and driver's license issuance. (713,000 CY 2016)

The practice of suspending motor vehicle registrations has been adopted in other states and successfully administered. Beginning in 2016, the State of Texas initiated a program to suspend vehicle registration.¹ As of December, 2016, the State of Texas sent out 7,209 notices of potential vehicle registration renewal suspension and 635 made payments and/or entered into payment plans.² (11 percent positive response rate) The State of Florida has a language enacted that is very similar to HB 2068.³

Kansas process for registering motor vehicles is different from processes in Texas and Florida, for Kansas is considered a "Tag and Tax" State and Texas and Florida are not. "Tag and Tax" means that a Kansas county treasurer will assess and collect personal property tax at the same time a passenger vehicle or truck is registered within the State.⁴ As a result, the denial of a

¹ Title 5 Family Code Chapter 232.001 et seq. (2016).

² Mekelburg, Madin, The Dallas Morning News, December 22, 2016, "New program linking vehicle registration to child support sees uptick in payments".

³ West's F.S.A. Sec. 61.13016.

⁴ K.S.A. 2015 Supp. 79-5102; See Also K.S.A. 2015 Supp. 8-173.

motor vehicle registration application, pursuant to this Bill, may impact a county treasurer's ability to collect personal property taxes associated with the motor vehicle. Additional consequences to the suspension and/or non-renewal of a motor vehicle registration are: 1) traffic citations for driving with expired or suspended registration⁵; and 2) the county treasurer securing tax warrants against the motor vehicle.⁶

The Department has additional questions regarding the Bill's applicability:

- 1) How will the Bill affect vehicles that are jointly owned with one party owing child support and a second party not having a child support responsibility. The State of Texas, in approving similar legislation, excepted vehicles from the prohibition if such vehicle was so owned by multiple parties.⁷
- 2) Does the Bill require the Division bifurcate the collection of personal property taxes and vehicle registration fees? Bifurcating the process will require amendment to K.S.A. 79-5102 and add to the Department's fiscal note regarding information technology costs.

The Department has some suggestions that may improve the Bill:

1. Place responsibility on Department for Children and Families to notify parent of potential vehicle registration prohibition at least two months prior a registration applicant's motor vehicle renewal date. (Texas rule)
2. Prohibit creditors from using the prohibition of on vehicle registration renewal springing from Bill as a basis for foreclosing on a security agreement. In many vehicle purchase security agreements, the debtor is required to maintain the vehicle's registration status.
3. That language be added to the bill stating, "[N]onrenewal of a motor vehicle registration pursuant to this section does not encumber the title to the motor vehicle or otherwise affect the transfer of the title to the vehicle." (Florida rule)
4. That language be added to the bill stating, "[T]he department of revenue or its staff or agents shall not be held liable for any license or vehicle registration suspension resulting from the discharge of its duties under subsection (f) of section." (Section 2 of the Bill)
5. The use of the term "vehicle" in subsection (f) of section 2, is very broad, and the Committee should consider excluding a "commercial vehicle" as that term is described in K.S.A. 2015 Supp. 8-143m and K.S.A. 2015 Supp. 8-1,100(d).

I have also attached a short position statement from the American Association of Motor Vehicle Administrators regarding laws that suspend driving privileges for non-highway safety related violations. Thank you for your consideration and I stand for questions.

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⁵ K.S.A. 2015 Supp. 8-142.

⁶ K.S.A. 2015 Supp. 79-5116.

⁷ See Texas Attorney General website of 2.7.2017 "Denial of Motor Vehicle Registration Renewals". Link: <https://www.texasattorneygeneral.gov/faq/cs-parents-frequently-asked-questions#denial>



**safe drivers
safe vehicles
secure identities
saving lives!**

Suspended & Revoked Drivers – Overview

The suspension of driving privileges has been used for decades to address poor driving behavior. However, what was originally intended as a sanction to address poor driving behavior is now used as a mechanism to gain compliance with non-highways safety, or social non-conformance, reasons. Drivers are now commonly suspended for reasons such as bounced checks, fuel theft, truancy, vandalism, and many other non-traffic safety related violations. To best serve public safety, while using our limited resources more effectively, AAMVA's Suspended & Revoked Best Practice recommends that legislatures repeal laws requiring the suspension of driving privileges for non-highway safety related violations.

- Nearly 4 of every 10 suspended drivers were suspended for non-highway safety reasons.*
- Drivers suspended for highway safety related reasons are almost 3 times more likely to be involved in a crash than drivers suspended for social non-conformance reasons.*
- To reduce the number of suspended drivers by up to 40%, states are encouraged to repeal state laws requiring or allowing driver license suspension for non-highway safety reasons.
- All 50 states, the District of Columbia, as well as many Canadian provinces, have laws that either require or permit the courts to withdraw driving privileges for non-conformance reasons.
- The common belief is that a driver license suspension provides effective, sustainable motivation to encourage individuals to comply with court ordered or legislated mandates to avoid suspension is not supported by empirical evidence. Rather, suspended driver licenses for non-highway safety related reasons take resources from law enforcement and the legal and administrative system that could be used to keep the right drivers off the road – those that commit highway safety violations that cause fatal, injury and property damage crashes.
- 1 out of 5 traffic fatalities nationally involves a driver who is operating a motor vehicle while suspended or who has no license at all. Almost 19% of drivers suspended for highway safety related reasons are involved in a crash. Approximately 34% of drivers suspended for highway safety related reasons commit a moving violation while under suspension. These statistics support the notion that drivers suspended for social non-conformance reasons pose a comparatively lower safety risk compared to those who are suspended for driving related reasons.*

- In addition to the issue of highway safety, law enforcement and the legal and administrative system is burdened by the process of suspending and revoking licenses for social non-conformance violations. Eliminating social non-conformance violations would allow resources to be better focused on highway safety efforts.
- Some alternatives to driver license sanctioning for non-highway safety include: garnishment of wages, monetary programs, amnesty programs, and diversion programs.
- For more information, see AAMVA's 2013 Best Practices Guide to Reducing Suspended Drivers at [AAMVA - Best Practices and Model Legislation](#).
- Washington recently passed legislation eliminating most non-highway safety suspensions and they are realizing outcomes consistent with those predicted in the Best Practices Guide. Georgia has more recently passed similar legislation, but has not had enough time in implementation to evaluate results.

Relevant AAMVA Experts

Brian Ursino, Director of Law Enforcement

Brian retired from the Washington State Patrol in February 2010 after more than 30-years of service, the last five years as Assistant Chief. Brian joined AAMVA on March 1, 2010 as the Director of Law Enforcement. Brian has a Bachelor of Science in Business Administration and an M.B.A. in Management and Leadership from City University in Seattle. Brian has also attended the FBI National Academy and the Kennedy School for Executives in State and Local Government at Harvard. In 2004 Brian received the Governor's Distinguished Management Leadership Award. For more information about Brian Ursino, visit <http://www.aamva.org/Law-Enforcement/>

For press inquiries, contact Claire Jeffrey, Communications & Multimedia Manager, at 703-908-2955 or cjeffrey@aamva.org.

*Robert Eger III, Ph.D. "Enhanced Analyses of Suspended/Revoked Drivers Related to Crashes." Florida State University. 2011.

April 22, 2016