

## MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Gary Hayzlett at 1:30 P.M. on March 17, 2006 in Room 519-S of the Capitol.

All members were present except:

Representative Jerry Henry- excused  
Representative Rob Olson- excused  
Representative Ed O'Malley- excused  
Representative Jim Yonally- excused

Committee staff present:

Hank Avila, Kansas Legislative Research  
Bruce Kinzie, Revisor of Statutes Office  
Betty Boaz, Committee Secretary

Conferees appearing before the committee:

Randy Allen, KS Ass'n of Counties - Speaking for Daryl Lutz, P.E., Butler Co. Director of Public Works/County Engineer and Chairman of the KCHA Legislative Committee  
Adrian Polansky, Secretary of the Department of Agriculture  
Duane Simpson, Vice President of Government Affairs, Association of Ethanol Processors  
Jere White, Executive Director, KS Corn Growers Association and KS Grain Sorghum Producers  
Chris Maurich, Lobbyist, ABATE of Kansas, Inc.  
Tim Gates, District Representative of ABATE of Kansas, Inc.

Others attending:

See attached list.

Chairman Hayzlett called the meeting to order and opened **SB 510**.

**SB 510 - Road and highways, classification thereof**

Mr. Lutz was unable to come to the Committee meeting so Randy Allen, KS Association of Counties, provided Mr. Lutz testimony (Attachment #1) to the Committee. According to Mr. Lutz' testimony, this bill would correct a minor technical correction to the road classification statutes amended during the 2005 legislative session. He said the technical corrections are being proposed after KDOT discovered an omission in the county road classification statutes and in the federal aid funding statutes.

There were no other proponents and no opponents so the Chairman closed the hearing on **SB 510** and opened the hearing on **SB 544**.

**SB 544 - Motor-vehicle fuel taxation, rates, ethanol blends**

Secretary of Agriculture, Adrian Polansky, was the first proponent on this bill. (Attachment #2) According to Secretary Polansky, because the energy content of E85 is somewhat less than regular gasoline, its users are being taxed at a higher rate per mile driven than users of regular gasoline or E10. **SB 544** would reduce the motor vehicle fuel tax rate on E85 from 24 cents a gallon to 17 cents per gallon effective January 1, 2007.

The next proponent was Duane Simpson, representing the Association of Ethanol Processors. (Attachment #3) Mr. Simpson said **SB 544** would reduce E85 motor fuel taxes by \$0.07 per gallon. He said the tax on E85 should reflect the number of miles driven not the number of gallons consumed. And that users of E85 would have to purchase approximately 29% more fuel to travel the same number of miles as regular unleaded. He concluded by saying **SB 544**, as written, will treat E85 fairly and promote more ethanol use in the state with a negligible cost to the state highway fund.

Chairman Hayzlett recognized Jere White, representing the Kansas Corn Growers Association and KS Grain Sorghum Producers Association. (Attachment #4) According to Mr. White, in Kansas where the state motor fuel tax is the same for gasoline and E85 and based on a per gallon fee, the E85 user is being unfairly penalized by electing to purchase E85 instead of gasoline. He said this would, rather than encourage the use

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of a cleaner-burning, renewable-based, American-made gasoline alternative, it would result in the E85 user paying more per mile in road taxes than gasoline or diesel fuel users.

Chairman Hayzlett drew the Committee's attention to written testimony provided by Tony Reinhart, on behalf of Ford Motor Company. (Attachment #5)

There was also written testimony provided by Leslie Kaufman, representing the Kansas Cooperative Council. (Attachment #6)

There were no other proponents and no opponents. After questions were answered the Chairman closed the hearings on **SB 544** and opened hearings on **HB 2296**.

**HB 2296 - Traffic regulations, height of motorcycle handlebars**

Chairman Hayzlett recognized Chris Maurich, representing ABATE of Kansas, as the first proponent for **HB 2296**. According to Mr. Maurich (Attachment #7) ABATE wishes to remove handlebar height limitations/restrictions from current law. He said the handlebar height issue has never proven to be a safety issue, as a rider would be physically able to ride only what bars he/she can fully utilize while on the other hand, bars that are too short can cause serious conditions. Mr. Maurich said that a tall rider will have difficulty turning handlebars that are short due to interference with the knees on sharp, tight turns, also, the configuration or design of the motorcycle fuel tank or the angle of the frame must be considered.

The next proponent was Timothy Gates also representing ABATE of Kansas. (Attachment #8) He said they felt with the growing popularity of motorcycling these days and the major diversification among riders, the ability and freedom to select and or design a bike to fit ones taste and body size should be left up to the individual motorcyclists or the motorcycle manufacturer.

There were no additional proponents and no opponents. After questions were answered Chairman Hayzlett closed the hearings on **HB 2296**.

It was the Chairman's desire to work **SB 510** so he opened it up to the Committee. Representative Ruiz made a motion to favorably pass this bill to the consent calendar. This motion was seconded by Representative Beamer and the motion carried.

The Chairman opened **SB 544**. The Secretary of Revenue asked the Committee to amend this bill in response to the possible outcome of a Kansas Supreme Court decision. This amendment is the provision of the bill which would ensure that the tax on motor fuels or special fuels would be paid by out-of-state importers. (Copy of amendment attached) After discussion Representative George made a motion to amend this bill with the language presented, Representative Humerickhouse seconded the motion and the motion to amend carried.

Representative Menghini made a motion for an amendment for some technical changes regarding the effective date of this bill, Representative Vickrey seconded the motion and the motion carried.

Representative Peck made a motion to favorably pass **SB 544, as amended**, Representative Beamer seconded the motion and the motion carried.

Chairman Hayzlett opened **HB 2882** to the Committee. Representative Edmonds had an amendment to clarify the language to indicate that fully-tracked vehicles (like tanks) are not considered antiques. Representative Vickrey made a motion to amend **HB 2882**, to exclude fully-tracked vehicles, the motion was seconded by Representative Humerickhouse and the motion carried.

Representative Long made a motion to favorably pass **HB 2882, as amended**, the motion was seconded by Representative Ruiz and the motion carried.

Chairman Hayzlett opened **SB 388**. Chairman Hayzlett made a motion for an amendment to say the money will come out of the EDIF fund, the motion was seconded by Representative Menghini, motion carried.

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Representative Humerickhouse made a motion for a technical amendment, the motion was seconded by Representative Vickrey and the motion carried.

Representative Vickrey made a motion to favorably pass **SB 388, as amended**, the motion was seconded by Representative George and the motion carried.

The Chairman opened **HB 2296**. Representative Beamer made a motion to remove the contents of **HB 2296**, remove the contents from **SB 278**, and insert the contents of **HB 2296** into **SB 278**, creating **Substitute SB 278**. Representative Humerickhouse seconded the motion and the motion carried.

Representative Burgess made a motion to favorably pass **Substitute for SB 278**, the motion was seconded by Representative Ruiz and the motion carried.

There being no further business before the Committee, the Chairman adjourned the meeting. There are no additional meetings planned for this session.