

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE.

The meeting was called to order by Chairperson Senator Les Donovan at 8:30 a.m. on February 7, 2002 in Room 245-N of the Capitol.

All members were present except: Senator Ed Pugh

Committee staff present: Bruce Kinzie, Revisor of Statutes
Marian F. Holeman, Committee Secretary

Conferees appearing before the committee: Sheila Walker, Dir., Div. Of Vehicles, KDOR
Don McNeely, President, KADA

Others attending: See attached list

SB 458: Vehicle dealers & manufacturers, license fees, increasing

Sheila Walker, Director, Division of Vehicles, Kansas Department of Revenue, requested this bill which would increase the cost for new, used, auction, and salvage dealers, as well as first and second stage manufacturers. Ms. Walker advised that Kansas fees would still be considerably less than other states' dealer licensing fees. The increased funds would be used to pay for background checks and the National Motor Vehicle Title Information System (NMVTIS). Ms. Walker further discussed the need for, and process involved in, the Division's background check responsibilities as well as NMVTIS (Attachment 1). Members viewed a short video presentation on the "National Motor Vehicle Title Information System," its' function and benefits as outlined briefly on page 3 of attachment 1.

Don McNeely, President, Kansas Automobile Dealers Association, appeared before the Committee in support of **SB 458**. He proposed an amendment which would spread the cost associated with implementation of NMVTIS among all licensees of the Kansas Division of Motor Vehicles, as opposed to just five type of licensees, because all will benefit from its use (Attachment 2). Members discussed the proposed amendment; i.e. page 2, line 32, \$25 should not have been crossed out - remains \$25; line 42 on supplemental locations, should be \$35 in last column, This does not apply to "temporary certificates." Discussed projected status of NMVTIS; 1) How soon how many states will be linked into the system? 2) Are the "bugs" already worked out?, etc. Jack Adolph of the Kansas Used Car Dealers Association discussed this issue with both Ms. Walker and Chairman Donovan and supports passage of the legislation.

Staff asked for clarification of page 3, line 8 in the balloon amendment regarding charge for inspection of business premises. Senator Goodwin moved to change page 3, line 8 to read \$30. Senator Schodorf seconded the motion. Motion carried. Senator Goodwin moved to adopt the balloon amendment plus minor technical changes. Senator Harrington seconded the motion. Motion carried. Senator Schodorf moved to pass **SB 458** as amended. Senator Goodwin seconded the motion. Motion carried.

Meeting adjourned at 9:25 a.m.

The next meeting is scheduled for February 12, 2002.