

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:35 a.m. on February 4, 2010, in Room 152-S of the Capitol.

All members were present.

Committee staff present:

Bruce Kinzie, Office of the Revisor of Statutes  
Daniel Yoza, Office of the Revisor of Statutes  
Julian Efird, Kansas Legislative Research Department  
Jill Shelley, Kansas Legislative Research Department  
Cindy Shepard, Committee Assistant

Conferees appearing before the Committee:

Charles M. Letcher, Treasurer, Johnson County, Kansas  
Vicky Johnson, Chief Counsel, Kansas Department of Transportation  
William Sneed, Legislative Counsel, State Farm Insurance Companies  
Kerri Spielman, Director of Government Affairs, Kansas Association of Insurance Agents

Others attending:

See attached list.

The Chairman opened the hearing on **SB 408 - County treasurers, additional locations for vehicle registrations**. Bruce Kinzie, staff revisor, reviewed the bill.

Charles M. Letcher, Treasurer, testified on behalf of Johnson County in favor of **SB 408**. He stated that they support this measure to more clearly define the intent of K.S.A. 8-145d. The term satellite registration facility is not clearly defined, leaving the intent of the statute open for interpretation. The additional language will allow the registration fee of up to \$5 at a satellite facility to be charged at any facility used for motor vehicle registrations, excluding a location within the courthouse or the administrative office used as the primary location for Treasurer's operations (Attachment 1).

Written testimony in support of **SB 408** was submitted by:

Randall Allen, Executive Director, Kansas Association of Counties (Attachment 2)

There being no further conferees, the hearing on **SB 408** was closed.

Following discussion Chairman Umbarger called for action on **SB 408** as drafted. Senator Donovan moved, Senator Petersen seconded, to recommend SB 408 favorably for passage. Motion failed.

Senator Apple moved, Senator Kultala seconded, to reconsider SB 408 with an amendment designating a primary location that has no additional fee. Motion carried.

The Chairman opened the hearing on **SB 462 - Regulating traffic, liability for damage to highway or structure**. Bruce Kinzie, staff revisor, reviewed the bill.

Vicky Johnson, Chief Council, Kansas Department of Transportation (KDOT), appeared as a proponent of **SB 462**. She indicated under existing law a driver is liable for all damage caused by the driver to a highway or highway structure. **SB 462** would add that the driver and the owner of the vehicle are liable for the damages and also the direct and reasonable consequential costs associated with the repair. Consequential costs would be defined as, but not limited to, costs associated with damage assessment, engineering and design requirements, mobilization, traffic control and detour costs (Attachment 3).

Ms. Johnson noted that KDOT is aware of the issues the insurance industry has with removing the term "illegal" from the statute, and she would work with them to clean up language to satisfy their concerns.

Written testimony in support of **SB 462** was submitted by:

Melissa Wangemann, Director of Legislative Services, KS Association of Counties (Attachment 4)

## CONTINUATION SHEET

Minutes of the Senate Transportation Committee at 8:35 a.m. on February 4, 2010, in Room 152-S of the Capitol.

William Sneed, Legislative Counsel, representing State Farm Insurance Companies, spoke in opposition of **SB 462** as it is currently written. He stated that under current law, K.S.A. 8-1913 does not affect insurance coverages as these damages are the result of an illegal operation and thus are not covered by one's automobile insurance. It is in their opinion, that this bill would greatly expand insurance coverages, thus the cost of insurance as well (Attachment 5).

Kerri Spielman, Director of Government Affairs, Kansas Association of Insurance Agents, presented testimony in opposition to **SB 462** as written. She indicated that the way the bill is written, striking the word illegal, any driver would be responsible for costs to repair damages. The change to require all drivers be liable for all costs and giving consequential costs an unlimited definition, seems the equivalent of demanding Kansans and insurance companies simply sign a blank check to the State of Kansas resulting in unaffordable insurance (Attachment 6).

Written testimony in opposition to **SB 462** was submitted by:

Martha Neu Smith, Executive Director, Kansas Manufactured Housing Association (Attachment 7)

Mary Jane Stankiewicz, COO and Senior Vice President of Kansas Grain and Feed Association (Attachment 8)

Bill Miller, President Midwest Crane and Rigging (Attachment 9)

After questions and discussion, KDOT indicated they would meet with the opposition to address the issues in the bill language and return before the Committee with the changes.

There being no further conferees, the hearing on **SB 462** was closed.

The meeting was adjourned at 9:15 a.m. The next meeting is scheduled for February 9, 2010.