

SENATE BILL No. 405

By Committee on Transportation

2-3

1 AN ACT concerning vehicles; relating to travel trailers; amending K.S.A.
2 8-199 and K.S.A. 2015 Supp. 8-197 and 8-198 and repealing the
3 existing sections.

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2015 Supp. 8-197 is hereby amended to read as
7 follows: 8-197. (a) The provisions of K.S.A. 8-197 to 8-199, inclusive, and
8 amendments thereto, shall be a part of and supplemental to the provisions
9 of article 1 of chapter 8 of the Kansas Statutes Annotated, *and*
10 *amendments thereto*, and as used in such sections, the words and phrases
11 defined by K.S.A. 8-126, and amendments thereto, shall have the
12 meanings respectively ascribed to them therein.

13 (b) As used in K.S.A. 8-197 through 8-199, and amendments thereto:

14 (1) (A) "Nonhighway vehicle" means:

15 (i) Any motor vehicle which cannot be registered because it is not
16 manufactured for the purpose of using the same on the highways of this
17 state and is not provided with the equipment required by state statute for
18 vehicles of such type which are used on the highways of this state;

19 (ii) any motor vehicle, other than a salvage vehicle, for which the
20 owner has not provided motor vehicle liability insurance coverage or an
21 approved self insurance plan under K.S.A. 40-3104, and amendments
22 thereto, and has not applied for or obtained registration of such motor
23 vehicle in accordance with article 1 of chapter 8 of the Kansas Statutes
24 Annotated, *and amendments thereto*;

25 (iii) any all-terrain vehicle;

26 (iv) any work-site utility vehicle;

27 (v) any micro utility truck; ~~or~~

28 (vi) recreational off-highway vehicle; *or*

29 (vii) *any travel trailer which cannot be registered because it is not*
30 *manufactured for the purpose of using the travel trailer on the highways of*
31 *this state and is not provided with the equipment by state statute for travel*
32 *trailers which are used on the highways of this state; and*

33 (B) "nonhighway vehicle" shall not include an implement of
34 husbandry, as defined in K.S.A. 8-126, and amendments thereto.

35 (2) "Salvage vehicle" means:

36 (A) Any motor vehicle, other than a late model vehicle, which is of a

1 type required to be registered in this state, but which cannot be registered
2 because it has been wrecked or damaged to the extent that: The equipment
3 required by state statute on any such vehicle used on the highways of this
4 state is not present or is not in good condition or proper adjustment, as
5 prescribed by state statute or any rules and regulations adopted pursuant
6 thereto, or such vehicle is in an inoperable condition or a condition that
7 would render the operation thereof on the highways of this state a hazard
8 to the public safety; and in either event, such vehicle would require
9 substantial repairs to rebuild or restore such vehicle to a condition which
10 will permit the registration thereof;

11 (B) a late model vehicle which is of a type required to be registered in
12 this state and which has been wrecked or damaged to the extent that the
13 total cost of repair is 75% or more of the fair market value of the motor
14 vehicle immediately preceding the time it was wrecked or damaged and
15 such condition was not merely exterior cosmetic damage to such vehicle as
16 a result of windstorm or hail; ~~or~~

17 (C) a motor vehicle, which is of a type required to be registered in
18 this state that the insurer determines is a total loss and for which the
19 insurer takes title; or

20 (D) *a travel trailer which is of a type required to be registered in this*
21 *state, but which cannot be registered because it has been wrecked or*
22 *damaged to the extent that: (i) The equipment required by state statute on*
23 *any such travel trailer used on the highways of this state is not present or*
24 *is not in good condition or proper adjustment, as prescribed by state*
25 *statute or any rules and regulations; or (ii) such travel trailer is in an*
26 *inoperable condition or a condition that would render the operation on the*
27 *highways of this state a hazard to the public safety; and in either event,*
28 *such travel trailer would require substantial repairs to rebuild or restore*
29 *to a condition which will permit the registration of the travel trailer;*

30 (3) "salvage title" means a certificate of title issued by the division
31 designating a motor vehicle *or travel trailer* a salvage vehicle;

32 (4) "rebuilt salvage vehicle" means any motor vehicle *or travel*
33 *trailer* previously issued a salvage title;

34 (5) "rebuilt salvage title" means a certificate of title issued by the
35 division for a vehicle previously designated a salvage vehicle which is
36 now designated a rebuilt salvage vehicle;

37 (6) "late model vehicle" means any motor vehicle which has a
38 manufacturer's model year designation of or later than the year in which
39 the vehicle was wrecked or damaged or any of the six preceding years;

40 (7) "fair market value" means the retail value of a motor vehicle as:

41 (A) Set forth in a current edition of any nationally recognized
42 compilation, including an automated database of retail value; or

43 (B) determined pursuant to a market survey of comparable vehicles

1 with regard to condition and equipment; *and*

2 (8) "cost of repairs" means the estimated or actual retail cost of parts
3 needed to repair a vehicle plus the cost of labor computed by using the
4 hourly labor rate and time allocations for automobile repairs that are
5 customary and reasonable. Retail costs of parts and labor rates may be
6 based upon collision estimating manuals or electronic computer estimating
7 systems customarily used in the automobile industry. The total cost of
8 repairs to rebuild or reconstruct the vehicle shall not include the cost of
9 repairing, replacing or reinstalling tires, sound systems, or any sales tax on
10 parts or materials to rebuild or reconstruct the vehicle.

11 Sec. 2. K.S.A. 2015 Supp. 8-198 is hereby amended to read as
12 follows: 8-198. (a) A nonhighway or salvage vehicle shall not be required
13 to be registered in this state, as provided in K.S.A. 8-135, and amendments
14 thereto, but nothing in this section shall be construed as abrogating,
15 limiting or otherwise affecting the provisions of K.S.A. 8-142, and
16 amendments thereto, which make it unlawful for any person to operate or
17 knowingly permit the operation in this state of a vehicle required to be
18 registered in this state.

19 (b) Upon the sale or transfer of any nonhighway vehicle or salvage
20 vehicle, the purchaser thereof shall obtain a nonhighway certificate of title
21 or salvage title, whichever is applicable, in the following manner:

22 (1) If the transferor is a vehicle dealer, as defined in K.S.A. 8-2401,
23 and amendments thereto, and a certificate of title has not been issued for
24 such vehicle under this section or under the provisions of K.S.A. 8-135,
25 and amendments thereto, such transferor shall make application for and
26 assign a nonhighway certificate of title or a salvage title, whichever is
27 applicable, to the purchaser of such nonhighway vehicle or salvage vehicle
28 in the same manner and under the same conditions prescribed by K.S.A. 8-
29 135, and amendments thereto, for the application for and assignment of a
30 certificate of title thereunder. Upon the assignment thereof, the purchaser
31 shall make application for a new nonhighway certificate of title or salvage
32 title, as provided in subsection (c) or (d).

33 (2) Except as provided in ~~subsection (b)~~ of K.S.A. 8-199(b), and
34 amendments thereto, if a certificate of title has been issued for any such
35 vehicle under the provisions of K.S.A. 8-135, and amendments thereto, the
36 owner of such nonhighway vehicle or salvage vehicle may surrender such
37 certificate of title to the division of vehicles and make application to the
38 division for a nonhighway certificate of title or salvage title, whichever is
39 applicable, or the owner may obtain from the county treasurer's office a
40 form prescribed by the division of vehicles and, upon proper execution
41 thereof, may assign the nonhighway certificate of title, salvage title or the
42 regular certificate of title with such form attached to the purchaser of the
43 nonhighway vehicle or salvage vehicle. Upon receipt of the nonhighway

1 certificate of title, salvage title or the regular certificate of title with such
2 form attached, the purchaser shall make application for a new nonhighway
3 certificate of title or salvage title, whichever is applicable, as provided in
4 subsection (c) or (d).

5 (3) If the transferor is not a vehicle dealer, as defined in K.S.A. 8-
6 2401, and amendments thereto, and a certificate of title has not been issued
7 for the vehicle under this section or a certificate of title was not required
8 under K.S.A. 8-135, and amendments thereto, the transferor shall make
9 application to the division for a nonhighway certificate of title or salvage
10 title, whichever is applicable, as provided in this section, except that in
11 addition thereto, the division shall require a bill of sale or such transferor's
12 affidavit, with at least one other corroborating affidavit, that such
13 transferor is the owner of such nonhighway vehicle or salvage vehicle. If
14 the division is satisfied that the transferor is the owner, the division shall
15 issue a nonhighway certificate of title or salvage title, whichever is
16 applicable, for such vehicle, and the transferor shall assign the same to the
17 purchaser, who shall make application for a new nonhighway certificate of
18 title or salvage title, whichever is applicable, as provided in subsection (c)
19 or (d).

20 (c) Every purchaser of a nonhighway vehicle, whether assigned a
21 nonhighway certificate of title or a regular certificate of title with the form
22 specified in ~~paragraph (2) of subsection (b)(2)~~ attached, shall make
23 application to the county treasurer of the county in which such person
24 resides for a new nonhighway certificate of title in the same manner and
25 under the same conditions as for an application for a certificate of title
26 under K.S.A. 8-135, and amendments thereto. Such application shall be in
27 the form prescribed by the director of vehicles and shall contain
28 substantially the same provisions as required for an application under
29 ~~subsection (c)(1) of K.S.A. 8-135(c)(1)~~, and amendments thereto. In
30 addition, such application shall provide a place for the applicant to certify
31 that the vehicle for which the application for a nonhighway certificate of
32 title is made is a nonhighway vehicle and other provisions the director
33 deems necessary. Each application for a nonhighway certificate of title
34 shall be accompanied by a fee of \$10, and if the application is not made to
35 the county treasurer within the time prescribed by K.S.A. 8-135, and
36 amendments thereto, for making application for a certificate of title
37 thereunder, an additional fee of \$2.

38 (d) (1) Except as otherwise provided by this section, the owner of a
39 vehicle that meets the definition of a salvage vehicle shall apply for a
40 salvage title before the ownership of the motor vehicle *or travel trailer* is
41 transferred. In no event shall such application be made more than 60 days
42 after the vehicle is determined to be a salvage vehicle.

43 (2) Every insurance company, which pursuant to a damage

1 settlement, acquires ownership of a vehicle that has incurred damage
2 requiring the vehicle to be designated a salvage vehicle, shall apply for a
3 salvage title within 60 days after the title is assigned and delivered by the
4 owner to the insurance company, with all liens released. In the event that
5 an insurance company is unable to obtain voluntary assignment of the title
6 after 30 days from the date the vehicle owner enters into an oral or written
7 damage settlement agreement where the owner agrees to transfer the title,
8 the insurance company may submit an application on a form prescribed by
9 the division for a salvage title. The form shall be accompanied by an
10 affidavit from the insurance company stating that: (A) The insurance
11 company is unable to obtain a transfer of the title from the owner
12 following an oral or written acceptance of an offer of damage settlement;
13 (B) there is evidence of the damage settlement; (C) that there are no
14 existing liens on the vehicle or all liens on the vehicle have been released;
15 (D) the insurance company has physical possession of the vehicle; and (E)
16 the insurance company has provided the owner, at the owner's last known
17 address, 30 days' prior notice of such intent to transfer and the owner has
18 not delivered a written objection to the insurance company.

19 (3) Every insurance company which makes a damage settlement for a
20 vehicle that has incurred damage requiring such vehicle to be designated a
21 salvage vehicle, but does not acquire ownership of the vehicle, shall notify
22 the vehicle owner of the owner's obligation to apply for a salvage title for
23 the motor vehicle *or travel trailer*, and shall notify the division of this fact
24 in accordance with procedures established by the division. The vehicle
25 owner shall apply for a salvage title within 60 days after being notified by
26 the insurance company.

27 (4) The lessee of any vehicle which incurs damage requiring the
28 vehicle to be designated a salvage vehicle shall notify the lessor of this fact
29 within 30 days of the determination that the vehicle is a salvage vehicle.

30 (5) The lessor of any motor vehicle *or travel trailer* which has
31 incurred damage requiring the vehicle to be titled as a salvage vehicle,
32 shall apply for a salvage title within 60 days after being notified of this
33 fact by the lessee.

34 (6) Every person acquiring ownership of a motor vehicle *or travel*
35 *trailer* that meets the definition of a salvage vehicle, for which a salvage
36 title has not been issued, shall apply for the required document prior to any
37 further transfer of such vehicle, but in no event, more than 60 days after
38 ownership is acquired.

39 (7) Every purchaser of a salvage vehicle, whether assigned a salvage
40 title or a regular certificate of title with the form specified in ~~paragraph (2)~~
41 ~~of subsection (b)(2)~~ attached, shall make application to the county
42 treasurer of the county in which such person resides for a new salvage
43 title, in the same manner and under the same condition as for an

1 application for a certificate of title under K.S.A. 8-135, and amendments
2 thereto. Such application shall be in the form prescribed by the director of
3 vehicles and shall contain substantially the same provisions as required for
4 an application under ~~subsection (e)(1)~~ of K.S.A. 8-135(c)(1), and
5 amendments thereto. In addition, such application shall provide a place for
6 the applicant to certify that the vehicle for which the application for
7 salvage title is made is a salvage vehicle, and other provisions the director
8 deems necessary. Each application for a salvage title shall be accompanied
9 by a fee of \$10 and if the application is not made to the county treasurer
10 within the time prescribed by K.S.A. 8-135, and amendments thereto, for
11 making application for a certificate of title thereunder, an additional fee of
12 \$2.

13 (8) Failure to apply for a salvage title as provided by this subsection
14 shall be a class C nonperson misdemeanor.

15 (e) A nonhighway certificate of title or salvage title shall be in form
16 and color as prescribed by the director of vehicles. A nonhighway
17 certificate of title or salvage title shall indicate clearly and distinctly on its
18 face that it is issued for a nonhighway vehicle or salvage vehicle,
19 whichever is applicable. A nonhighway certificate of title or salvage title
20 shall contain substantially the same information as required on a certificate
21 of title issued under K.S.A. 8-135, and amendments thereto, and other
22 information the director deems necessary.

23 (f) (1) A nonhighway certificate of title or salvage title may be
24 transferred in the same manner and under the same conditions as
25 prescribed by K.S.A. 8-135, and amendments thereto, for the transfer of a
26 certificate of title, except as otherwise provided in this section. A
27 nonhighway certificate of title or salvage title may be assigned and
28 transferred only while the vehicle remains a nonhighway vehicle or
29 salvage vehicle.

30 (2) Upon transfer or sale of a nonhighway vehicle in a condition
31 which will allow the registration of such vehicle, the owner shall assign
32 the nonhighway certificate of title to the purchaser, and the purchaser shall
33 obtain a certificate of title and register such vehicle as provided in K.S.A.
34 8-135, and amendments thereto. No regular certificate of title shall be
35 issued for a vehicle for which there has been issued a nonhighway
36 certificate of title until there has been compliance with K.S.A. 8-116a, and
37 amendments thereto.

38 (3) (A) Upon transfer or sale of a salvage vehicle which has been
39 rebuilt or restored or is otherwise in a condition which will allow the
40 registration of such vehicle, the owner shall assign the salvage title to the
41 purchaser, and the purchaser shall obtain a rebuilt salvage title and register
42 such vehicle as provided in K.S.A. 8-135, and amendments thereto. No
43 rebuilt salvage title shall be issued for a vehicle for which there has been

1 issued a salvage title until there has been compliance with K.S.A. 8-116a,
2 and amendments thereto, and the notice required in ~~paragraph (3)(B) of~~
3 ~~this subsection(f)(3)(B)~~ has been attached to such vehicle.

4 (B) As part of the inspection for a rebuilt salvage title conducted
5 under K.S.A. 8-116a, and amendments thereto, the Kansas highway patrol
6 shall attach a notice affixed to the left door frame of the rebuilt salvage
7 vehicle indicating the vehicle identification number of such vehicle and
8 that such vehicle is a rebuilt salvage vehicle. In addition to any fee allowed
9 under K.S.A. 8-116a, and amendments thereto, a fee of \$5 shall be
10 collected from the owner of such vehicle requesting the inspection for the
11 notice required under this paragraph. All moneys received under this
12 paragraph shall be remitted in accordance with ~~subsection (e) of~~ K.S.A. 8-
13 116a(e), and amendments thereto.

14 (C) Failure to apply for a rebuilt salvage title as provided by this
15 paragraph shall be a class C nonperson misdemeanor.

16 (g) The owner of a salvage vehicle which has been issued a salvage
17 title and has been assembled, reconstructed, reconstituted or restored or
18 otherwise placed in an operable condition may make application to the
19 county treasurer for a permit to operate such vehicle on the highways of
20 this state over the most direct route from the place such salvage vehicle is
21 located to a specified location named on the permit and to return to the
22 original location. No such permit shall be issued for any vehicle unless the
23 owner has motor vehicle liability insurance coverage or an approved self-
24 insurance plan under K.S.A. 40-3104, and amendments thereto. Such
25 permit shall be on a form furnished by the director of vehicles and shall
26 state the date the vehicle is to be taken to the other location, the name of
27 the insurer, as defined in K.S.A. 40-3103, and amendments thereto, and the
28 policy number or a statement that the vehicle is included in a self-
29 insurance plan approved by the commissioner of insurance, a statement
30 attesting to the correctness of the information concerning financial
31 security, the vehicle identification number and a description of the vehicle.
32 Such permit shall be signed by the owner of the vehicle. The permit shall
33 be carried in the vehicle for which it is issued and shall be displayed so
34 that it is visible from the rear of the vehicle. The fee for such permit shall
35 be \$1 which shall be retained by the county treasurer, who shall annually
36 forward 25% of all such fees collected to the division of vehicles to
37 reimburse the division for administrative expenses, and shall deposit the
38 remainder in a special fund for expenses of issuing such permits.

39 (h) A nonhighway vehicle or salvage vehicle for which a nonhighway
40 certificate of title or salvage title has been issued pursuant to this section
41 shall not be deemed a motor vehicle for the purposes of K.S.A. 40-3101 to
42 40-3121, inclusive, and amendments thereto, except when such vehicle is
43 being operated pursuant to subsection (g). Any person who knowingly

1 makes a false statement concerning financial security in obtaining a permit
2 pursuant to subsection (g), or who fails to obtain a permit when required
3 by law to do so is guilty of a class C misdemeanor.

4 (i) Any person who, on July 1, 1996, is the owner of an all-terrain
5 vehicle, as defined in K.S.A. 8-126, and amendments thereto, shall not be
6 required to file an application for a nonhighway certificate of title under
7 the provisions of this section for such all-terrain vehicle, unless the person
8 transfers an interest in such all-terrain vehicle.

9 (j) Any person who, on July 1, 2006, is the owner of a work-site
10 utility vehicle, as defined in K.S.A. 8-126, and amendments thereto, shall
11 not be required to file an application for a nonhighway certificate of title
12 under the provisions of this section for such work-site utility vehicle,
13 unless the person transfers an interest in such work-site utility vehicle.

14 Sec. 3. K.S.A. 8-199 is hereby amended to read as follows: 8-199. (a)
15 Except as provided in subsection (b), it shall be unlawful for any person to
16 sell or transfer the ownership of any nonhighway vehicle or salvage
17 vehicle, unless such person shall give to the purchaser thereof an assigned
18 nonhighway certificate of title or salvage title.

19 (b) The sale or transfer of ownership of a nonhighway vehicle or
20 salvage vehicle shall include the acquisition of any such vehicle by an
21 insurer, as defined by K.S.A. 40-3103, and amendments thereto, from any
22 person upon payment of consideration therefor in satisfaction of such
23 insurer's obligation under a policy of motor vehicle insurance but the
24 transferor of a vehicle for which a title has been issued under K.S.A. 8-
25 135, and amendments thereto, shall not be required to obtain a
26 nonhighway certificate of title or salvage title for such vehicle and may
27 assign to the insurer the certificate of title issued pursuant to K.S.A. 8-135,
28 and amendments thereto. It shall be unlawful for any insurer to sell or
29 attempt to sell any nonhighway vehicle or salvage vehicle, through power
30 of attorney or otherwise, unless such insurer shall obtain a nonhighway
31 certificate of title or salvage title issued in the name of the insurer.

32 (c) Any person, firm, company, corporation, partnership, association
33 or other legal entity who violates the provisions of this section shall be
34 guilty of a class C misdemeanor.

35 (d) Nothing in this act shall be construed as relieving any person of
36 the payment of the tax imposed on the sale of a motor vehicle *or travel*
37 *trailer* pursuant to K.S.A. 79-3603, and amendments thereto.

38 Sec. 4. K.S.A. 8-199 and K.S.A. 2015 Supp. 8-197 and 8-198 are
39 hereby repealed.

40 Sec. 5. This act shall take effect and be in force from and after its
41 publication in the statute book.