Approved _	4/22/83	-
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MINUTES OF THE HO	use CO	MMITTEE ON <u>Transpo</u>	ortation	•
The meeting was called to	order by	Rep. Rex Crowell	Chairperson	at
1:35 xaxxx./p.m. on _	February	14,	, 19_83in room <u>519-S</u>	_ of the Capitol.
All members were present	except:			

Rep. David Webb, Rep. Bill Fuller and Rep. Richard Schmidt, excused.

Committee staff present:

Fred Carman, Revisor of Statutes Hank Avila, Legislative Research Pam Somerville, Committee Secretary

Conferees appearing before the committee:

Rep. Ardena Matlack Jack Quinlan, Kansas Motor Car Dealers Association Steve Wiechman, Kansas Auto Wreckers Association Steve Montgomery, Kansas Department of Revenue

The meeting was called to order by the Chairman and the minutes of January 31, 1983 were distributed.

The first order of business was $\underline{HB~2245}$. The Chairman recognized Rep. Matlack, sponsor of $\underline{HB~2245}$. Rep. Matlack presented the history of $\underline{HB~2245}$ stating it stemmed from a 1981 summer interim study, (attachment 1) regarding vehicle inspection. Her bill would raise the charge to \$10.00.

The Chairman opened the floor to committee questions. Chairman Crowell asked Rep. Matlack if the fee would have been increased as a result of 1982 session SB 509 which was a result of the 1981 interim study. Rep. Matlack stated the bill would have increased the fee either 50 or $75\column$.

Mr. Jack Quinlan, Kansas Motor Car Dealers Association, testified in support of \underline{HB} 2245. The Chairman asked Mr. Quinlan if he felt we should change the current inspection statute to have either annual vehicle inspections or abolish the inspection program. Mr. Quinlan replied currently 20% of the vehicles were being inspected and he felt it necessary to have annual inspections.

Mr. Steve Wiechman, Kansas Auto Wreckers Association testified in support of $\underline{\text{HB }2245}$. Mr. Wiechman explained there might be problems if the inspection is abolished. Of major concern are the non-highway vehicle titles and obtaining highway titles for certain vehicles.

The next order of business was \underline{HB} 2283. Mr. Steve Montgomery, Kansas Department of Revenue, testified in support of the bill. Mr. Montgomery explained to the committee the problem encountered with the 15 day temporary registration. Vehicles are temporarily registered and can haul loads heavier than the weight for which they permanently register the vehicle. \underline{HB} 2283 would help to alleviate this problem.

The Chairman opened the meeting to committee questions. Rep. Johnson asked Mr. Montgomery if the state was really losing revenue. Mr. Montgomery replied this was probably not the case, however, without weight restrictions on the temporary permits it created a diffcult policing situation for law enforcement bodies.

The next order of business was \underline{HB} 2284 adding a criminal penalty to the dealer licensing law. Mr. Montgomery testified before the committee explaining that a provision of the law providing these penalties was inadvertently omitted when the statute was amended in 1980. Mr. Montgomery explained currently there is not a provision to refer

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE _	House	COMMITTEE ON	Transportation	
room 519-S Stateho	ouse at 1:35	数数/p.m. on	February 14	19 83

cases of violation of the act for criminal prosecution.

The Chairman asked whether the penalties prescribed were the same as the ones which were inadvertently repealed. Mr. Montgomery stated they were.

Mr. Jack Quinlan presented testimony stating while not opposed to $\underline{{\tt HB~2284}}$, he did have concern for the ambiguities in the statutes. and would like to have the violations specified to which criminal penalties apply.

It was recommended by the Chairman that Mr. Carman, Mr. Montgomery, Mr. Quinlan and himself discuss the matter at a later date to work out appropriate language.

The meeting turned to committee discussion and action. Rep. Dillon moved to favorably pass HB 2283. Rep. Erne seconded. Motion passed.

Committee discussion again ensued regarding HB 2110 concerning antique vehicle plates. Mr. Montgomery presented additional information to the committee (Attachment 2). Several questions were asked regarding registration fees; again the Chairman asked the Division of Vehicles for additional information. Action will be taken at a later date.

The meeting adjourned at 2:43 p.m.

Jet Browell

GUEST LIST

COMMITTEE: Jansportate	DATE	: Deb 14th 1983
PLEASE PRINT		
NAME	ADDRESS	COMPANY/ORGANIZATION
arden mathack		
operry wooter	TOPCKA	WICHITA EAGLE
VACE OUMLAND	TOPELA	KMCD4
Tom Wholote	Topeke	KS MITOR CARRIER ASSE
MARY TURKINGTON	11	KS MOTOR CARRICE PS
Ed DeSoignie		KAOT
Steve Monigonium		DOR
J.		
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RE: PROPOSAL NO. 40 - MOTOR VEHICLE STATUTES*

Proposal No. 40 directs the Special Committee on Transportation to review the effectiveness of the laws relating to vehicle safety inspection systems in order to determine the need for modifying or repealing such statutes.

Background

Motor vehicle accidents are primarily caused, singularly or in combination, by: driver error or misjudgment, roadway conditions, or vehicle condition. In passing the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381 et seq.), and the Highway Safety Act of 1966 (23 U.S.C. 401 et seq.), the Congress launched a broad-scale effort to reduce the number and seriousness of highway accidents from each of these causes by requiring the Department of Transportation (DOT) to develop uniform safety standards and oversee their implementation by states.

Despite the safety reliability that can be built into new cars, the parts and mechanical systems deteriorate with use and time, and this can cause accidents. Studies have shown that perhaps one out of every ten accidents is caused solely by the failure of vehicle equipment, such as brakes, tires, and steering mechanisms, and that these failures are more often a contributing factor in the cause and severity of accidents.

Since 1929 some states have felt the need for a safety program which required owners to periodically (usually once_a year) submit their vehicles to a state-authorized inspector for a safety inspection and to correct the defective conditions found. The programs were aimed at detecting and correcting potentially serious defects before they lead to accidents. Such programs are based on the premise that vehicle owners cannot detect or choose not to voluntarily correct unsafe vehicle conditions.

^{*} S.B. 509 accompanies this report.

The National Highway Traffic Safety Administration (NHTSA) adopted the periodic motor vehicle inspection (PMVI) concept for implementing a requirement in the Highway Safety Act of 1966 that vehicle inspection be a part of each state's highway safety program. States were provided with federal funds to assist in implementing such programs. The standard NHTSA issued in June, 1967 stated that each state, as a minimum, would have a program to inspect every registered vehicle in the state at the time of initial registration and at least annually thereafter.

To receive full funding under the law, the states had until December 31, 1969, to implement or to show reasonable progress toward implementing a highway safety program meeting the various federal standards, including vehicle inspection. However, the law permitted a temporary waiver of any standards, limited to three years, to allow states to evaluate a substitute they proposed to accomplish the same objective by a different means. After that period a state could apply for a permanent waiver, or amendment, to a standard subject to NHTSA's approval. If a state was not implementing the standards, or did not have an approved substitute or experimental program, it faced the loss of its apportionment of federal highway safety funds and 10 percent of its apportionment of federal highway construction funds under the sanction provisions of the act. However, this sanction authority was later temporarily withdrawn by the Highway Safety Act of 1976 (23 U.S.C. 402).

The PMVI standard dealt principally with the scope and frequency of vehicle safety inspections, i.e., all registered vehicles in a state at least once a year. NHTSA was also required to address the quality of inspection by the National Traffic and Motor Vehicle Safety Act of 1966. Standards issued pursuant to that act specified procedures state inspectors were to use in detecting vehicle defects and the criteria for passing or rejecting inspected cars. The procedures and criteria were collectively known as vehicle-in-use standards, derived from the object of the 1966 act which was to improve the safety of vehicles in use on the nation's highways.

Although the act required NHTSA to issue the vehicle-inuse standards by September, 1968, the agency delayed issuance until September, 1972, for vehicles weighing 10,000 pounds or less, and until August, 1974, for those exceeding that weight. Department officials indicate that the delayed issuance was in reponse to a U.S. District Court order. The delay was due to what NHTSA considered a lack of adequate information on which to base the standards.

Pros and Cons of Motor Vehicle Inspection Systems*

The issue of whether vehicle inspection systems do in fact provide motorists with the desired measure of safety has been and continues to be debated.

Proponents of motor vehicle safety inspection systems state that data attempting to establish relationships between motor vehicle inspection and accident death rates generally are unreliable. Accident statistics on vehicle condition as a contributing factor are frequently unreliable for several reasons, some of which are listed below:

- 1. The vehicles were damaged to the extent that their mechanical condition before the accident could not be determined.
- 2. Accident investigations were generally concentrated on the driver and driving conditions, exclusive of the vehicle condition.

See memorandum on Proposal No. 40 - Motor Vehicle Inspection Statutes, for a more detailed discussion of the pros and cons of motor vehicle inspection system. This report is on file in the Kansas Legislative Research Department.

- 3. The accident investigators generally lacked the training or experience necessary to recognize evidence of preaccident unsafe conditions.
- 4. Procedures for uniform accident investigations and reporting were inadequate.
- Drivers were reluctant to admit maintenance neglect for fear of being prosecuted.

Opponents of motor vehicle inspection systems have offered two possible interpretations for the failure of these systems to reduce motor vehicle accidents. First, any additional resources devoted to vehicle maintenance as a result of periodic inspection simply do not improve the inherent safety characteristics of the vehicle; thus, those expenditures are not effective in reducing accidents. Second, additional expenditures induced by periodic inspection requirements do make the vehicle safer, but this potential for improved highway safety is dissipated by adjustments in driver behavior, as some studies have suggested.

Testimony

The Regional Director, Highway Users Federation. Highway Users Federation, told the Special Committee that the Federation has supported motor vehicle inspection as a function designed to detect unsafe vehicle conditions that might contribute to a traffic accident and to require that the defect be corrected before the vehicle is legally permitted to operate on public roads. Safety professionals believe it ironic that motor vehicle manufacturers are under stringent federal government regulations for vehicle safety requirements while individual vehicle owners are not required to meet at least a minimum check for safety on his or her vehicles. He noted that only an annual inspection of all vehicles would meet minimum safety standards and that inspection of only new or used cars at the time of transfer would allow inspection of fewer vehicles.

The Director said that a number of researchers and organizations concerned with highway traffic safety, studied the vehicle inspection problem to develop evidence which would support or refute the effectiveness of motor vehicle inspection. When the data of many studies on the effect of motor vehicle inspection on accident prevention were evaluated by safety professionals, it was concluded that states with vehicle inspection programs also had a variety of other traffic safety laws that resulted in an above average record for highway safety.

Legislative decisions on motor vehicle inspections in Kansas must be concerned with the safety of Kansas motorists. The final decision will need to address the question of whether or not the program contributes to the traffic safety effort.

Less than 20 percent of vehicles in Kansas are inspected annually. Missouri and Oklahoma require all vehicles to be inspected each year. Colorado has suspended its program for three years, during which time it will study the program. Approximately 6 percent of accidents are a result of faulty parts of a vehicle. The Highway Users Federation has endorsed annual inspection of motor vehicles.

It was also pointed out that three states have stateoperated and owned inspection stations while the remaining states have private stations designated by the state. Inspections need to be part of a total package which includes speed limit enforcement and driving while intoxicated enforcement, it was explained.

Department of Revenue. A representative of the Kansas Department of Revenue said that repealing the statutes requiring vehicle safety inspection would create a need to address changes in statutes authorizing issuance of nonhighway certificates of title (K.S.A. 8-197 through K.S.A. 8-199) and squance of titles on specially constructed vehicles (K.S.A. 8-126). He listed the following benefits derived from the conhighway vehicle status:

1. A nonhighway title provides a means for allowing a person to cancel his or her

insurance and not be in violation of statutory insurance requirements.

- 2. Insurance companies are required to transfer ownership by use of a nonhighway title on salvage vehicle claims.
- 3. After a nonhighway vehicle has passed a safety inspection, a legend stating that the vehicle is no longer a nonhighway vehicle appears on all future certificates of title.

Vehicles specially constructed, rebuilt, or modified, must be inspected because without such inspections, stolen or unsafe vehicles could be titled or registered, the Revenue offical noted.

The vehicle inspection program has also helped in verifying identification numbers on vehicles titled in Kansas for the first time or transferred. This procedure provides a means for helping to control the titling of stolen vehicles.

Kansas Highway Patrol. A Kansas Highway Patrol trooper said the position of the Patrol on motor vehicle safety inspections is that the state should either do away with the program or adopt a full annual motor vehicle inspection program, the latter of which the Patrol prefers. The strengths of the present program are:

- 1. seven years of positive state experience with an MVI system; and
- 2. opportunities to scrutinize vehicles which are stolen in other states and brought into Kansas.

The weaknesses were listed as:

1. inspection of only 19.9 percent of the vehicles in the state; and

2. the problem of "quality control," <u>i.e.</u>, poor inspection by some inspection stations.

To make the motor vehicle inspection program effective, the Patrol needs to use quality control vehicles (a vehicle used surreptitiously to monitor inspection stations). The Patrol does not now have such a vehicle.

A study in the state of Idaho was alluded to regarding the impact of discontinuing Idaho's periodic motor vehicle inspection program. The results of that study showed that if Idaho eliminates inspections, the number of defects in vehicles would rise.

The Patrol suggested that in deciding on an inspection program two factors should be considered: safety and consumerism. The federal government is getting out of consumerism resulting in state involvement. In states where inspection is cancelled, some junky, unsafe cars are appearing on car lots.

If Kansas had a program of periodic inspection, more personnel would be needed with costs passed on to the user by raising the 50 cent certificate fee to 75 cents. It is believed that this increase would make the program cost effective. The Patrol wants to do quality control to control poor vehicle inspection. The Patrol asked the Committee for an indication of legislative intent on how to get the so-called "sticker lickers" (inspection stations doing a poor job on inspections). There are now 1,237 inspection stations in Kansas. Each station is given a manual which lists the items to be inspected. The inspections take a person about 20 minutes.

With regard to random vehicle inspection the Patrol inspects approximately 43,000 vehicles per year. The Supreme Court has ruled random inspections without probable cause are not permissible.

A 100 percent inspection program costs about \$831,384. The \$5.00 inspection fee is paid to the inspection stations but the certificate fee would go to finance the program.



Kansas Motor Car Dealers Association. A representative for the Kansas Motor Car Dealers Association said that the members of the Association also sell used vehicles. The Kansas Motor Vehicle Inspection Act of 1974 was amended in 1975 and 1976 after the Legislature was threatened with the loss of 10 percent of the federal funds from the federal Department of Transportation unless an inspection program was adopted. The legislative intent was to pass a limited inspection act.

The current inspection program does not require the inspection of the vehicles which should be inspected in the interest of safety on highways and streets. Used vehicles sold by the Kansas dealers are inspected and prepared for resale beyond what is required under the present inspection program.

Kansas dealers have asked that the Legislature consider one of two alternatives. First, a mandatory annual inspection program for all vehicles at a cost figure reimbursing the private or public inspection stations or dealers the actual costs of such inspection. This could range from \$7.00 to \$14.00, depending upon the vehicle. The second alternative offered would be to repeal the present program and have the state continue on with spot inspections such as were used prior to 1974. If this is done the state should retain some provision for the nonhighway vehicle certificate of title as presently found in K.S.A. 8-198 et seq.

The Legislative Chairman for the Kansas Motor Car Dealers Association spoke to the Committee in favor of an annual inspection program for all motor vehicles registered in the state of Kansas. He favored an annual inspection program.

Annual inspection is also needed due to current economic conditions. More people keep their old vehicles longer instead of trading them in for a newer model. This results in longer periods of time a vehicle can be operated without being inspected.

The Committee was urged to recommend to the 1982 Session of the Legislature that an annual inspection program be enacted.

Private Industry Concerns. A service manager for Yarrington Oldsmobile in Topeka told the Committee members that it takes a half-hour to make an inspection on a used car. The owner of Jay Beard Trucks, Inc., spoke to the Committee on the current motor vehicle inspection law and its effect on the heavy and medium duty truck dealers of Kansas. He said that he fully supported the enactment of an annual inspection program in Kansas for cars and light duty trucks with vehicles of 10,000 gross vehicle weight. Vehicles over that weight should be exempt from the annual inspection. This exemption would cover any vehicle from the three-fourths ton pickup and below. Medium and heavy duty trucks are now subject to inspection by the Kansas Corporation Commission and the federal December of Transportation.

It was recommended that the cost of the inspections be increased which would allow inspection stations to break even.

Kansas Automotive Wreckers Association. A representative from the Kansas Automotive Wreckers Association said that the Association supported vehicle safety inspections and that an inspection law is necessary in Kansas. Vehicle safety is an important consideration, but there are other benefits received from an inspection requirement. These include:

- 1. aiding in consumer protections;
- 2. providing evidentiary chains in the detection of stolen vehicles; and
- 3. detecting odometer rollbacks while inspecting documents.

The Association suggested that the 1982 Legislature could improve the vehicle safety inspection law by:

- 1. basing inspection fees upon the hourly rate of the inspection station governed by pure competition;
- 2. reviewing and revising inspection standards where necessary to respond to safety needs;

- inspecting the vehicle to verify identification numbers with those on the ownership documents;
- 4. urging consideration of an annual vehicle safety inspection priority to registration for all vehicles more than four years old;
- 5. preserving nonhighway titles; and
- 6. reviewing the present titling system to allow classification of vehicles and their use disclosed on vehicle titles.

Committee Recommendations

The Special Committee on Transportation recommends S.B. 509. The bill amends present law by increasing the fee of 50 cents to 75 cents for official certificates of approval purchased by inspection stations. The additional revenue from this fee increase is intended to strengthen the motor vehicle inspection program.

A second amendment to the motor vehicle inspection statutes would allow a driver of an automobile to request that his or her vehicle and equipment be spot-inspected by the Highway Patrol. These inspections will be classified as voluntary spot inspections. Voluntary spot inspections are not to be more extensive or comprehensive than spot inspections in present law. The Committee wishes to express that these inspections are not intended to substitute for inspections by official inspection stations.

The Committee also wishes to include in its report its expressed concern that inspectors of motor vehicles demonstrate the adequate skills to perform motor vehicle inspections.

November 13, 1981	Rep. Rex Crowell,
	Chairperson
	Special Committee on
	Transportation

Sen. Robert Talkington	Rep. Betty Jo Charlton
Vice-Chairperson	Rep. Stephen Cloud
-	
Sen. Fred A. Kerr	Rep. George Dean
Sen. Bill Morris	Rep. James Guffey
Sen. William Mulich	Rep. Harold Guldner
Son Joseph Normall	
Sen. Joseph Norvell	Rep. Leary Johnson

MINORITY REPORT

I vote no on Proposal No. 40. I believe the Committee failed to recognize the major problem or adequately recommend an appropriate solution. I do agree that Kansas should retain the current inspection program. However, the weakness of the system is in economics. When we expect a comprehensive vehicle examination at the current price of \$5 we invite mediocrity and certainly a financial loss in many instances. This has resulted in the reduction of certified inspection stations and quality which is needed to insure that unsafe vehicles are kept off Kansas highways. I believe it inconsistent to not address this problem while recommending a fee increase at the state level. I feel that adequate resources are already available to the state without the introduction of this new revenue for the purchase of a control vehicle for the Highway Patrol.

Also a volunteer spot inspection is limited in scope and would use valuable trooper time which could be better utilized in other areas. This bureaucratic approach will not solve the problem.

Respectfully submitted,

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MEMORANDUM

TO: Honorable Rex Crowell

DATE: February 14, 1983

Chairman, House Transportation

Committee

FROM: Steven C. Montgomery

RE: Antique Tag Information

Kansas Department of Revenue

In response to the discussion and general inquiry surrounding antique license plates, I have compiled the following information on this subject.

Summary of Current Law

Antique vehicles will be registered as non-antiques if the owner fails to specify that the vehicle should be registered as an antique. Applications for antique plates are made through the appropriate county treasurer's office. If the owner requests a vehicle to be registered as an antique, the division will choose the antique plate and a l-time registration fee of \$5 is charged. If the owner specifies a particular antique plate, a l-time \$25 fee is charged. Both the \$25 fee and the \$5 fee are designated as registration fees and deposited in the state highway fund. Vehicles registered as antiques do not have weight limitations imposed and therefore trucks with this type of registration may haul loads of unrestricted weights. Pursuant to K.S.A. 79-5105, vehicles registered as antiques are required to pay \$12 annually in property tax.

General History and Background

The antique tag statute was last amended in 1980. At that time the current registration fees were established. The higher fee for specifically requested antique tags was intended to be a revenue producing item similar to personalized non-antique plates. The comparison went one step further and the \$25 fee for personalized plates was also imposed for specially requested antique tags. The Department of Revenue incurs the following costs for the manufacture of license plates:

Passenger Vehicles & Trucks \$1.17/plate
Personalized Plates \$1.71/plate
Antique Plates \$1.71/plate

To: Honorable Rex Crowell February 14, 1983 Page 2

Prices of plates are determined by volume sold and all plates of a particular type cost the department the same amount. Thus a specially requested antique plate does not cost more to manufacture than an unrequested antique plate. Should the legislature wish to impose weight restrictions for antique vehicles, the department recommends that such restrictions be similar to the limitation placed upon special interest vehicles by K.S.A. 8-195(a): such vehicles not be allowed to haul material in excess of 500 pounds.

Steven C. Montgomery, Attorney Legal Services Kansas Department of Revenue

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