		Approved <u>April 15, 1988</u> Date	
MINUTES OF THE House	COMMITTEE ON	Transportation	
The meeting was called to order by	Repr	esentative Richard Harper Chairperson	at
1:30 xxx/p.m. on	February 10	, 1988 in room <u>521-s</u> of the C	Capitol.
All members were present except:	Laird, Spaniol,	Crowell and Wilbert	

Committee staff present:

Bruce Kinzie, Revisor of Statutes Hank Avila, Legislative Research Donna Mulligan, Committee Secretary

Conferees appearing before the committee:

Secretary Harley T. Duncan, Kansas Department of Revenue Colonel Don Pickert, Kansas Highway Patrol Ms. Orpha Fogo, Belleville, Kansas Mr. Donald Allen of Lebanon, Kansas

The meeting was called to order by Representative Richard Harper, and the first order of business was a hearing on $\frac{HB-2600}{C}$ relating to the operation of motor carrier inspection stations.

Mr. Harley T. Duncan, Secretary of Revenue, testified in support of $\underline{\text{HB-}2600}$. (See Attachment 1)

Secretary Duncan said HB-2600 would transfer the enforcement elements of the Motor Carrier Inspection Bureau of the Department of Revenue's Division of Vehicles to the Kansas Highway Patrol. He stated this would result in the shifting of approximately 4.4 million in Vehicle Operating Funds and 175 full time equivalent positions.

Colonel Don Pickert, Kansas Highway Patrol, spoke in favor of $\underline{ ext{HB-2600}}$. He said it is believed passage of this bill would provide better service.

Ms. Orpha Fogo, Belleville, Kansas, testified in opposition to $\underline{HB-2600}$. (See Attachments 2 and 3)

 $\ensuremath{\mathsf{Ms}}$. Fogo stated that the independent truckers and small truck lines are in favor of keeping the Motor Carrier Inspection stations open, as it is handy and convenient for them.

Mr. Donald Allen of Lebanon, Kansas, testified in opposition to HB-2600. (See Attachment 4)

The meeting was adjourned at 2:25 p.m.



KANSAS DEPARTMENT OF REVENUE

Office of the Secretary

Robert B. Docking State Office Building
Topeka, Kansas 66612-1588

MEMORANDUM

TO:

The Honorable Rex Crowell, Chairman

House Committee on Transportation

FROM:

Harley T. Duncan

Secretary of Re

RE:

House Bill 2600 - Transfer of Motor Carrier Inspection Stations

DATE: February 10, 1988

INTRODUCTION

- 1. House Bill 2600 would transfer the enforcement elements of the Motor Carrier Inspection Bureau of the Department of Revenue's Division of Vehicles to the Kansas Highway Patrol. This would result in the shifting of approximately \$4.4 million in Vehicle Operating Funds and 175 full time positions. Both the Kansas Highway Patrol and the Department of Revenue support the bill.
- 2. My testimony today includes a brief chronological overview of activities which have taken place over the years that have had an impact on the motor carrier industry in Kansas which should establish the background for the recommended transfer. I will also outline the specific rationale for the transfer, explain what functions will be transferred and which will remain in the department, and finally, there are a few technical changes needed in the bill.

HISTORY OF ORGANIZATIONAL CHANGES

- 1. Motor Carrier Inspection Stations were originally established as Ports of Entry during the late 1920's and early 1930's to enforce fuel use tax laws.
- 2. In 1978, approximately twenty of the stations were closed and weight enforcement functions of the Department of Transportation were transferred to the Department of Revenue. The remaining Ports of Entry were renamed Motor Carrier Inspection Stations with the primary function continuing to be the issuance of regulatory permits. In addition, a Central Permit Office was opened in Topeka to provide permits to motor carriers via wire services.

- 3. Kansas joined the International Registration Plan (IRP) in 1981 which allowed for the proportional registration of fleets of vehicles in other jurisdictions. After registering in an IRP state, which then becomes the carrier's base state, the carrier is free to move through member IRP states without the necessity of obtaining individual trip permits. The Interstate Registration Bureau in the Department of Revenue implemented the program and in 1983, the bureau was combined with the Motor Carrier Inspection Bureau and renamed the Operating Authority Unit.
- 4. The major emphasis of the Motor Carrier Inspection Bureau changed in 1984 from permit issuance to vigorous enforcement of motor carrier laws. There was a growing concern over the continued use of stationary weigh and permit stations from a cost-effective budgetary perspective as well as the question of whether the stations continued to offer a needed service to the motor carrier industry. With increased usage of the Central Permit Office and IRP annualized permits, carriers now had the opportunity to purchase permits prior to entering the state. This alternative eliminated the "down time" associated with locating an open inspection station to purchase necessary permits. In addition, Kansas became an active participant in the federal grant Motor Carrier Safety Assistance Program (MCSAP) in 1984. This required increased mobile enforcement of weight and permit limitations and operating authority and close coordination of these activities with the Kansas Highway Patrol.

RATIONALE FOR THE TRANSFER

- 1. The shift from stationary weigh stations to mobile enforcement has resulted in Motor Carrier Inspection Bureau personnel performing enhanced law enforcement functions with full police powers which mirror several areas performed by the Highway Patrol. Motor carrier inspectors deal with stolen equipment, registration violations, and cooperate in the detection and apprehension of alcohol impaired drivers. As a result of an Attorney General's opinion, motor carrier inspectors involved in enforcement were deemed to be law enforcement personnel and as such are required to become certified under state law. They are sent to the Kansas Highway Patrol Training Center in Salina for 336 hours of basic law enforcement training and receive 40 hours of in-service training from the Highway Patrol each year.
- 2. <u>Inspection and enforcement tasks have become nearly identical as they relate to commercial vehicles</u>. A close and mutually beneficial relationship has developed between the Kansas Highway Patrol and the Motor Carrier Inspection Bureau. The very similar work performed in the "open road" environment has caused the two agencies to find each others' personnel very helpful. The expertise developed by each agency has complimented the operations of the officers in the field when dealing with commercial vehicles.
- 3. The Motor Carrier Inspection Bureau is an integral part of the safety inspection program of the Highway Patrol. The emphasis of this program is the reduction of injuries and fatalities involving commercial motor carriers by detection and removal of unsafe vehicles and drivers from Kansas Highways. Activities such as speed enforcement, weight and permit limitations and operating authority need to be under the control of one organization.
- 4. <u>Leaving the Motor Carrier Inspection Bureau in the Department of Revenue will lead to duplication of effort by the State</u>. Both the Highway Patrol and the Inspection Bureau are patrolling the highways and detaining trucks performing similar and duplicate functions.

This causes confusion within the motor carrier industry and impacts the State's ability to provide consistent enforcement policies and direction.

5. The primary function of the Department of Revenue is the collection of taxes and fees, not law enforcement. As outlined earlier, this used to be the main function of the Ports of Entry as well. With enforcement levels continuing to increase, the bureau needs the Highway Patrol's support in the areas of law enforcement recruiting, technical training and management skills. The department simply does not have the expertise in these areas. In addition, it does not have the radio communications and well developed field supervision network for highway oriented enforcement.

FUNCTIONS TRANSFERRED TO THE HIGHWAY PATROL OR RETAINED BY THE DEPARTMENT OF REVENUE

- 1. Operating expenses of approximately \$4.4 million and 175 full time positions would be transferred to the Highway Patrol.
 - a. <u>Enforcement Administration (9 positions)</u>. The staff prepares enforcement policies, arranges for bureau training, supervises operations, performs maintenance and repairs for all equipment, performs budget and personnel functions for all field operations and reconciles all station bank accounts.
 - b. <u>Field Supervision (8 positions)</u>. The State is divided into eight regions with a Field Supervisor responsible for the staff and operations of all ports, weigh stations and mobile enforcement units in the area assigned.
 - c. Ports (62 positions). Staff for eighteen stationary permit locations.
 - d. Weigh Stations (52 positions). Staff for eight stationary locations equipped with permanent scales.
 - e. <u>Mobile Enforcement Units (44 positions)</u>. Seventeen units equipped with pursuit vehicles.
- 2. The Department of Revenue will retain approximately \$750,000 and 31 full time positions.
 - a. <u>Central Permit Office (11 positions)</u>. Field operations deal with permit issuance in conjunction with enforcement. The Central Permit Office issues permits for the Divisions of Taxation and Vehicles within the Department of Revenue, the Kansas Corporation Commission and the Kansas Department of Transportation. The unit issues the permits electronically to over 3,000 locations for use by commercial operators in lieu of permanent registration. The Central Permit Office has no enforcement function.
 - b. Operating Authority Unit (20 positions). The Operating Authority Unit accepts applications for motor fuel licenses, KCC authority, sales tax permits, title transfers and prorated vehicle tags from commercial transportation companies. It also issues all prorate tags and audits the use of these tags. It serves no direct enforcement role.
 - c. Together, the Central Permit Office and the Operating Authority Unit make up the "one-stop-shop" which was established last year and is located at 17th and Fairlawn

here in Topeka. The office provides the motor carrier one reference point for all permits as well as a central location where questions can be answered. The move was made in conjunction with a recommendation from the National Governors' Association (NGA) study, "Working Group on State Motor Carrier Procedures".

RECOMMENDED CHANGES TO THE BILL

- 1. The effective date for the transfer referenced in the bill should be changed to July 1, 1988.
- 2. In Section 1(e) and on lines 678 thru 692, references to the secretary of revenue should not be deleted. Authority by the secretary will still be needed to carry out the functions of the Central Permit Office and Operating Authority.
- 3. Language needs to be inserted on line 472 after the word "station" to include a reference to the Highway Patrol to avoid confusion regarding authority exercised by Patrol troopers.
- 4. Language is also needed on line 269 after the work "vehicles" to include the Superintendent of the Highway Patrol should new bank cards need to be added later.

ATTACHMENT

MOTOR CARRIER INSPECTION FACILITIES AS OF 2-10-88

PERMIT STATIONS

- Kansas City
- 2. Sabetha
- 3. Fort Scott
- 4. Opolis Scheduled to close 2-15-88
- 5. Crestline
- 6. Chetopa
- 7. Coffeyville
- 8. Kiowa
- 9. Englewood
- 10. Liberal
- 11. Liberal
- 12. Elkhart
- 13. Collidae
- 14. Norton
- 15. Phillipsburg
- 16. Lebanon
- 17. Belleville
- 18. Marysville

COMBINED PERMIT/WEIGHT STATIONS

- Olathe 1.
- 2. Canev
- 3. South Haven
- 4. Kanorado
- 5. St Marys
- 6. Wabaunsee
- 7. Oberlin
- Hiawatha 8.

MOBILE ENFORCEMENT UNITS

- 1. Gardner
- 2. Lawrence
- 3. Chanute
- 4. Pittsburg
- 5. Baxter Springs
- 6. South Haven
- Wichita 7.
- 8. Wichita
- 9. Liberal
- 10. Garden City
- 11. Colby
- 12. Oakley
- 13. Phillipsburg14. Salina
- 15. Mankato
- 16. Topeka
- 17. Emporia

adies and Gentlemen of the House:

I am Orpha Fogo of Motor Carrier Inspection Station #58, Belleville, Kansas. I started to work for M.C.I.S. on August 2, 1969.

I have seen changes that have been good for the State of Kansas, but many have hurt the State of Kansas, money-wise.

I am representing the ones who work in the field; the ones who meet and hear what the small truck lines want. They want to come into Kansas and be able to buy the permits they need to be legal in our state.

The independent truckers and small truck lines like the Motor Carrier Inspection Stations. It is handy and convenient for them. We make sure, before they leave, that they are legal. Some think they are legal when they get to Kansas and are surprised to find they are not.

Permits sent by wire from the Central Permit Office and other places cost 2 to 3 times more because of wire and truck stop charges and also telephone charges, than those purchased at a Motor Carrier Inspection Station. (Enclosed are copy samples of their cost.)

The truckers who try to receive their permits by wire sometimes have to wait overnight or longer for a wire or transceiver to come. They may have to drive miles to find a place which can receive a wire or transceiver.

When all the Ports were open, the truckers were able to receive permits without driving out of their way. Now it is either have a wire sent from the Central Permit Office; buy permits from other states who have the right to sell them; or drive miles out of their way to find an open Motor Carrier Inspection Station.

When all of the Ports were open and the truckers had to stop, we were able to fill out Form CT5 for sales tax not collected in Kansas. This came to a tidy sum.

According to Kansas livestock laws, all livestock coming into or going thru Kansas must clear at a Motor Carrier Inspection Station. This is one way to help control disease. Are we going to jeopardize our livestock industry by not recording movement of livestock into our state which could be of questionable health?

In harvest time what will the combine operators do? Some stations sell more permits during harvest time than any time of the year. This means 30 day tags, 72 hours, fuel and oversize permits. The combiner has to have these permits to be legal in and thru Kansas for harvest. Harvest is usually May thru October, sometimes later.

Closing 8 Motor Carrier Inspection Stations (Ports) on the north side of Kansas would cause truckers, combine operators and others needing permits to have only one Motor Carrier Inspection Station (Belleville) on the north side to obtain permits. West side would have only Kanorado scales open (closing two). South side would have Liberal, South Haven and Caney (closing six). East side would have Ft. Scott, Olathe and Kansas City (closing four). With more stations regulary open at established time schedules, there should be more revenue generated.

Now if only 7 Motor Carrier Inspection Stations - including scales - are to be available to truckers, this will really open the door for illegal operations. Is this what we need?

Some stations are now open only 8 hours a day and some 16 hours a day. This is confusing to the truck lines since they do not know which station will be open when.

Instead of closing the Motor Carrier Inspection Stations, we feel Kansas would profit more by opening the stations that have been closed but still have a good building available.

I hope we have gotten our feelings across to you; why we feel it is important to keep the Motor Carrier Inspection Stations open.

Are there any questions?

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MESS MOTOR CARRIER INSPECTION SUPERIL BY HE STATE

ladies and Gentleman of the Mouse of Representatives of the State of Ransas.

I'm Conald .llen of Lebanon, Ransas on 281 highway, Station 55. I have been in inspector for 26 years. Le may be a small station. This is a major highway for the combine traffic going south. Le cleared 587 combines in 1987, this is about the same number every year. The sold a total of 4,038 permits to trucks to made them legal for the year 1987. These permits total 42,779.15. Think what this would cost the trucking industry if they had to wire for all these permits at the mate of 320.00 each, plus the cost of the permits. We haven't been able to be spen all 24 hours a day as we have only 3 inspectors. If someone is sick or on recation that shift must be close. If they close these stations as is in this will there will be alot of bumping for what few jobs are left. I am sure you will be getting alot of letters from truckers, letting you know how they feel about closing these stations, adso a lot of phone calls from alot of county thairman, once this bill is made public.

I do agree to everything that dupha says. And wish I would think of more to bring out. If you have any questions, please ask.

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