

Approved: 3/22/93
Date

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

The meeting was called to order by Chairperson Ben Vidrickson at 9:00 a.m. on March 19, 1993 in Room 254-E of the Capitol.

All members were present except:

Committee staff present: Hank Avila, Legislative Research Department
Ben Barrett, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Martha Ozias, Committee Secretary

Conferees appearing before the committee:

Ferris Kimball, Ferris Kimball Company, Kansas City, Kansas
Jack Tierce, Deputy Director of the Transportation Division, State
Corporation Commission
Mary Turkington, Executive Director of the Kansas Motor Carriers Assn.
Rep. Steve Lloyd, Palmer
Rep. Joann Freeborn, Ames

Others attending: See attached list

The chairman introduced Senator Dick Bond who appeared in support of **HB 2461** relating to registration of motor carriers. He introduced Ferris Kimball who asked for an amendment to this bill saying its present wording prevents necessary, prompt and emergency services without undue government interference and over regulation. He requested that the amendment read, "The operation of vehicles used for transporting materials used in the servicing or repairing of industrial furnaces or boilers." (See Attachment A)

Jack Tierce explained that the Interstate Commerce Commission is in the rule making process to implement the Single State Registration System and in order to participate in the new registration program and continue to collect the \$10.00 per vehicle fee, the statutes need to be amended. He requested that the committee respond favorably. (See Attachment B)

Mary Turkington stated that this legislation was necessary to permit the Kansas Corporation Commission to continue to register, for insurance purposes, interstate for-hire carriers who operate in or through Kansas. She felt that Kansas needed to make this change to retain jurisdiction over the affected carriers and urged support for this bill as it was amend by the House Committee. (See Attachment C)

Representative Steve Lloyd appeared before the committee in support of **HB 2300** which would designate part of Kansas Highway 82 as the Wm. H. Avery Highway. Mr. Avery was a member of the House of Representatives, served in Congress and was Governor of the State of Kansas. It was felt that the 11 mile portion of Kansas Highway 82 that runs past Governor Avery's house would a fitting tribute to him and urged passage of this bill. (See Attachment D) and map (See Attachment E).

Representative Joann Freeborn also urged passage of this bill saying that private donations were encouraged for signage and there would be no need for fiscal impact. She also felt it was a wonderful tribute to bring recognition to public personages while they are here to enjoy the moment. (See Attachment F)

Senate Burke made a motion to amend **HB 2300** to read "Wm. H. Avery Highway" and pass it out of committee. This was seconded by Senator Papay. Motion carried.

A motion was made by Senator Rock to pass favorably **HB 2176** (concerning the temporary closing of highways) out of committee. Senator Tiahrt seconded this. Motion carried.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES, Room 254-E
Statehouse, at 9:00 a.m. on March 19, 1993.

Attention was turned to **HB 2413** relating to public utilities and voidable issuances. A motion was made by Senator Emert to pass favorably. Senator Papay seconded this. Motion carried.

A motion was made by Senator Jones to pass **HB 2410** (enacting the overhead power line accident prevention act) favorably. This was seconded by Senator Harris. Motion carried.

The committee then looked at **HB 2041** which would enact the Kansas underground utility damage prevention act. Senator Burke made a motion to adopt the amendment on this bill. Senator Rock seconded this motion. Motion carried. A motion was then made by Senator Tiahrt to pass favorably as amended. A seconded was made by Senator Rock. Motion carried.

The meeting was adjourned by the chairman.

The next meeting is scheduled for March 22, 1993.

GUEST LIST

SENATE TRANSPORTATION COMMITTEE

DATE: March 19, 1993

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
JACK TIERCE	TOPEKA	KCC
DON FARLILE	TOPEKA	ITCC
TOM WHITAKER	TOPEKA	Ks Motor Carriers Assn.
Betty McBride	TOPEKA	KDOR
Jacquie Oakes	"	KIADA
Steen Cogswell	"	Ks-Nebr Assn / 7th Day Gdo.
Lachelle	"	AP
PAUL SOMERVILLE	TOPEKA	Ks Motor Car Dealers Assn.
MARY E. TARKINGTON	TOPEKA	Ks Motor Carriers Assn.
Cameron Brenn	"	KTR
Tom DAY	"	KCC
Whitney Dameron	TOPEKA	McMillin Assoc. / KCPL
STEVE LLOYD	PALMER	House of REP.
Joann Freeborn	AMES KS	House of Rep.
ED SCHAUB	TOPEKA	WESTERN RESOURCES
Jim Ludwig	"	"

A portion of House Bill 2461 should be changed. Its present wording prevents necessary, prompt (and in some cases emergency) services without undue government interference and over regulation.

The background for this request is this: the current law, and bill before you, provides that the transportation of materials by a service company to the point of use may only be in vehicles registered for that purpose each year with the state. This requirement can cause delays, confusion and significant inconvenience when essential services to repair boilers and industrial furnaces for the public and business are needed.

In Kansas, such service companies are few and relatively small. But out of proportion to their size, they provide services that are absolutely essential to institutions, and industrial and manufacturing plants in virtually all sections of our state.

These service companies repair boilers and industrial furnaces in a wide range of usage. The equipment they work on includes: boilers for generating electricity by utilities, from Kansas City, Kansas in the east to Holcomb in the southwest; boilers to make process steam in manufacturing plants across the state for activities as varied as meat packing, salt production, oil refining and airplane manufacturing; boilers to produce heat and hot water for institutions such as hospitals, schools, colleges and universities, and military and defense installations. Industrial furnaces in Kansas needing these services include a wide range of activities including: grain dryers at elevators, industrial

furnaces for the production of fertilizers, the manufacturing of cement and other building materials, melting of aluminum for manufacturing parts used in various machinery and buildings, and industrial furnaces for the heat treating of precision parts in a variety of industrial applications.

Most equipment of this type is in use daily -- many twenty-four hours per day. Some owners can shut down for repairs only on week-ends without shutting down regular production. Others may run equipment a full year and then perform all maintenance in a short 48 to 72 hour period. And then there are the inevitable unforeseen emergency breakdowns. Whatever the event, lost time in repairing the equipment is critical to maintaining essential public services, and preventing lost wages on the part of idled workers.

When these events occur the exact extent of repairs is frequently unknown until equipment has cooled sufficiently for an interior inspection. For these reasons materials are often taken to jobsites to cover a variety of possible repairs. This may be done in leased vehicles or private vehicles belonging to hourly employees. Materials not used are returned, with owners charged only for what was used.

Clearly it is impossible to know months, or in some cases even hours, in advance what leased or other vehicle might be needed to take materials to and from a repair site -- theoretically it could be an infinite number. And yet, the law as presently constituted

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requires every vehicle used for this purpose to be registered annually and a regulatory fee paid for each.

In the past the legislature has wisely recognized the necessity of, and provided for, narrow exceptions to the law. We respectfully ask that the following amendment of exception be added to the bill before you so that it might become law as well:

"The operation of vehicles used for transporting materials used in the servicing or repairing of industrial furnaces or boilers."

A word about revenue loss to the state if such vehicles are exempted from the regulatory process... The amount of lost state revenue would be extremely limited. The number of service companies working on boilers and industrial furnaces is quite small, and the fees charged by the state are low -- in the \$10.00 to \$25.00 range.

Please act favorably on the amendment.

Thank you.

F. Robert Kimball

Ferris Kimball Company
1401 Fairfax Trafficway
Kansas City, Ks. 66115
(913) 281-3022

March 18, 1993

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husbandry, if such operation is within 100 miles of such person's established place of business in this state;

(q) transportation by taxi or bus companies operated exclusively within any city or within 25 miles of the point of its domicile in a city;

(r) a vehicle being operated with a dealer license plate issued under K.S.A. 8-2406, and amendments thereto, and in compliance with K.S.A. 8-136, and amendments thereto, and vehicles being operated with a full-privilege license plate issued under K.S.A. 8-2425, and amendments thereto; and

(s) Any person operating a motor vehicle with a gross vehicle weight rating of 10,000 pounds or less, transporting to or from an arts or craft show, hand-crafted products produced for resale by the owner or operator of such motor vehicle.

As used in this subsection, "gross vehicle weight rating" means the value specified by the manufacturer as the maximum loaded weight of a single or a combination (articulated) vehicle. The gross vehicle weight rating of a combination (articulated) vehicle commonly referred to as the "gross combination weight rating" is the gross vehicle weight rating of the power unit, plus the gross vehicle weight rating of the towed unit or units.

(t) the operation of vehicles used for transporting materials used in the servicing or repairing of industrial furnaces or boilers.

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STATEMENT OF THE
STATE CORPORATION COMMISSION

Presented to the Senate Transportation Committee
March 19, 1993

HOUSE BILL NO. 2461 As Amended

Mr. Chairman and Members of the Committee:

My name is Jack Tierce and I am the Deputy Director of the Transportation Division, State Corporation Commission. Congress passed and the President signed into law the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 which significantly amends 49 U.S.C. 11506 - Registration of Motor Carriers by a State. In essence, it eliminates the so-called "bingo card" program for ICC regulated motor carriers.

CURRENT MOTOR CARRIER REGISTRATION PROGRAM

Motor carriers regulated by the Interstate Commerce Commission (ICC) contact each state in which they operate; register their authority, file proof of insurance, denote a process agent and remit fee payment. States issue the motor carrier stamps for each vehicle registered, which is affixed to the Form D (bingo) card that is purchased from the National Association of Regulatory Utilities Commission. The Kansas Corporation Commission fee is \$10.00 to register their authority and \$10.00 for each vehicle registered. The Commission had 14,589 interstate regulated motor carriers registered and 470,445 motor vehicles registered in 1992.

NEW SINGLE STATE REGISTRATION SYSTEM

The ICC is in the rule making process to implement the Single State Registration System, (pursuant to the Intermodal Surface Transportation Efficiency Act (ISTEA) OF 1991). A motor carrier who has been granted authority by the ICC will register only in their base state. The base state will:

1. maintain files and evidence of the ICC certificate or permit,
2. maintain proof of liability insurance,
3. maintain a list of process agents for each state,
4. issue a receipt for vehicles registered; and
5. distribute fees collected for other states.

The \$10.00 per vehicle registration fee will remain intact; however, the \$10.00 fee to register authority will no longer apply. A state is eligible to participate as a registration base state and to receive fee revenue only if it continuously participates in the registration program beginning January 1, 1994. Motor vehicle registration with the KCC will begin October 1, 1993. If Kansas does not elect to participate in the new registration program, \$3-5 million will be lost annually from the State Highway Fund.

CONCLUSION

In order to participate in the new registration program and continue to collect the \$10.00 per vehicle fee K.S.A. 66-1a01, 66-1,128, 66-1,116, 66-1,139, 66-1,129a, 66-1,115, 60-305a, and 79-6a01 should be amended. The Commission would request that the committee respond favorably.

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STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

Concerning the registration of
motor carriers with the Kansas
Corporation Commission required
pursuant to 49 U.S.C. 11506.

Presented to the Senate Transportation &
Utilities Committee, Sen. Ben Vidricksen,
Chairman; Statehouse, Topeka, Friday,
March 19, 1993.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Mary E. Turkington, Executive Director of the Kansas Motor Carriers Association with offices in Topeka. I appear here today representing our member-firms and the highway transportation industry in support of H.B. 2461 as amended by the House Committee.

This legislation is necessary to permit our Kansas Corporation Commission to continue to register, for insurance purposes, interstate for-hire carriers who operate in or through Kansas.

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) eliminated the previous procedure for qualifying such vehicles with the various states through which a carrier operated. The so-called "bingo stamps" were secured from each state and placed on a card required to be carried in affected vehicles.

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This system, while complicated for the motor carrier industry, clearly indicated that an interstate vehicle was properly qualified with each jurisdiction through which it operated and that insurance coverages were currently in effect.

Under the ISTEA provision, the Interstate Commerce Commission will adopt new rules governing "base state" registration procedures for interstate carriers and the credentials that states will be required to issue.

The language in H.B. 2461 revises Kansas statutes to accommodate these expected rule changes by authorizing Kansas to be a base state for its resident motor carriers and further continues to require all interstate carriers who operate in or through here to have proof of insurance as a protection to Kansas motorists.

These changes not only involve procedural changes but also involve revenue. In 1956, our Association supported an annual fee of \$10 to be charged for each power unit any regulated carrier qualified with the KCC to operate in or through our state. These fees initially were established to fund the motor carrier division of the KCC. Revenues have provided for these expenditures and, through legislative policy direction, now also provide substantial funds for the State Highway Fund.

It is important that this legislation be adopted to position the KCC to continue to collect the \$10 per power unit on interstate carriers who must register with the Commission for insurance purposes.

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Because the revisions in Chapter 66 eliminate the term "interstate license" for those for-hire interstate carriers who will be required to register their equipment with the KCC pursuant to 49 U.S.C. 11506, it also is necessary to make this same reference in K.S.A. 79-6a01, governing ad valorem taxation of such out-of-state carriers.

Such for-hire out-of-state carriers currently must report and be assessed ad valorem taxes on over-the-road equipment operated in or through Kansas.

Again, revenue is involved; Kansas needs to make this change to retain jurisdiction over those affected carriers.

We support H.B. 2461 as passed by the House. We ask your favorable consideration of this legislation to meet the January 1, 1994, deadline by which the ISTEA changes must be in place.

We appreciate the cooperation and support our industry has received from the Transportation Division of the KCC and from the Property Valuation Department in working through these complex changes. We strongly support H.B. 2461 as it was amended by the House Committee. We will be pleased to respond to any questions.

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TOPEKA

HOUSE OF
REPRESENTATIVES

STEVE LLOYD

REPRESENTATIVE, SIXTY-FOURTH DISTRICT
CLAY, DICKINSON, GEARY,
RILEY COUNTIES
1741 30TH RD.
PALMER, KANSAS 66962
STATE CAPITOL, ROOM 181-W
TOPEKA 66614-1504
(913) 296-7636

COMMITTEE ASSIGNMENTS

VICE CHAIRMAN: AGRICULTURE
MEMBER: ENERGY & NATURAL RESOURCES
TRANSPORTATION

Chairman Vidrickson and Members of the Senate Transportation Committee.

Thank you for giving me the opportunity to appear before you today on HB 2300.

HB 2300 would designate part of Kansas Highway 82 as the William H. Avery Highway. The portion of the highway so designated would be from the junction of K-15 with K-82 east, through the city of Wakefield, through the south junction of K-82 and U.S. Highway 77. The bill directs the Secretary of Transportation to place markers along the highway right-of-way at proper intervals so as to designate the highway as the William H. Avery Highway. The act also authorizes the Secretary to accept and administer gifts and donations to aid in obtaining suitable highway signs bearing the proper approved inscription.

William H. Avery began his political career by serving on the Wakefield School Board. In 1951 he was elected to the Kansas House of Representatives and served nearly two terms. In 1954 he was elected to Congress and served for 5 consecutive terms, representing the 1st Congressional District. In 1964 he ran successfully to be Governor of the State of Kansas. He served as our 37th governor for one term. Governor Avery currently lives near Wakefield on his farm and remains active in local activities and political circles.

As a Representative from the 64th District, it was brought to my attention that a fitting tribute would be to name that 11 mile portion of Kansas Highway 82 that runs past Governor Avery's house the "William H. Avery Highway". I heartily agreed and introduced HB 2300 which passed the House of Representatives 124 - 0 on February 24, 1993.

I would be happy to answer any questions you might have.



WM. H. AVERY, Republican, the 37th Governor of the State of Kansas, was born on a farm near Wakefield, Kansas, on August 11, 1911. He is the son of Mrs. Hattie C. Avery and the late Herman W. Avery.

Governor Avery attended public school at Wakefield and received an A. B. degree from the University of Kansas in 1934.

The Governor is married to the former Hazel Bowles of Junction City. Before her marriage, Mrs. Avery taught music in Junction City public schools.

The Averys have four children: William H., II, 22; Mrs. E. Lauck Lanahan (Barbara), 18; Bradley, 14; and Martha Sue, 12.

Governor Avery still owns and operates most of the original family livestock farm near Wakefield. Part of the farm was taken by the federal government several years ago due to the construction of Milford Dam and Reservoir on the Republican River.

The 54-year-old Governor began his career in public service as a director of the Wakefield School Board.

In 1951, he was elected to the Kansas House of Representatives from Clay County and served most of two terms. While in the Kansas House he was named to the Kansas Legislative Council, the official research organization for the state Legislature.

Toward the end of his second term as a state representative, Governor Avery resigned that office to run for Congress from what then was the First District in northeast Kansas.

After his initial election to Congress in 1954, he served five terms. While a member of Congress, Avery served on the Veterans Affairs Committee, the Interstate and Foreign Commerce Committee, the Select Committee on Small Business and the key Rules Committee.

At the completion of his tenure, he was ranking minority member of the Private Calendar Committee and was dean of the Kansas delegation to Congress.

He was elected Governor of Kansas in November, 1964, and inaugurated on January 11, 1965.

The Governor is a member of the Methodist Church, Masonic Lodge, Kansas Farm Bureau, Kansas Livestock Association, Kansas Association for Wildlife and Lions International. He also is an alumnus of Delta Upsilon social fraternity.



DIVISION OF THE BUDGET

Room 152-E
State Capitol Building
Topeka, Kansas 66612-1504
(913) 296-2436
FAX (913) 296-0231

Joan Finney
Governor

Gloria M. Timmer
Director

March 12, 1993

The Honorable Rex Crowell, Chairperson
Committee on Transportation
Statehouse, Room 431-N
Topeka, Kansas 66612

Dear Representative Crowell:

SUBJECT: Fiscal Note for HB 2300 by Representatives Lloyd,
et al.

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2300 is respectfully submitted to your committee.

HB 2300 would designate part of Kansas Highway 82 as the William H. Avery Highway. The portion of the highway so designated would be from the junction of K-15 with K-82 east, through the city of Wakefield, through the south junction of K-82 and U.S. Highway 77. The bill directs the Secretary of Transportation to place markers along the highway right-of-way at proper intervals so as to designate the highway as the William H. Avery Highway. The act also authorizes the Secretary to accept and administer gifts and donations to aid in obtaining suitable highway signs bearing the proper approved inscription.

The Kansas Department of Transportation indicates that the provisions of the act would require an expenditure of \$200, which includes materials, equipment and labor. The agency indicates that two employees and a vehicle would be required for a period of four hours to install the signs. Any cash gifts or donations which would occur as a result of the passage of the act would be deposited in the State Highway Fund. Expenditures would be from the State Highway Fund and could be financed within amounts approved in the FY 1994 Governor's Budget Report.

Sincerely,

A handwritten signature in cursive script that reads "Gloria M. Timmer".

Gloria M. Timmer
Director of the Budget

cc: William Watts, KDOT

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TRAMS
ATTACHMENT E
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STATE OF KANSAS

JOANN LEE FREEBORN
REPRESENTATIVE, 107TH DISTRICT
CLOUD, OTTAWA COUNTIES
AND PART OF CLAY AND DICKINSON COUNTIES
RR 3, BOX 307
CONCORDIA, KANSAS 66901-9105

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TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
MEMBER: AGRICULTURE
PUBLIC HEALTH AND WELFARE
ENERGY AND NATURAL RESOURCES
JOINT COMMITTEE ON CHILDREN AND FAMILIES

Date: March 19, 1993

To: Senate Transportation Committee

Re: HB 2300, Designating part of Kansas Highway 82 as the
Wm. H. Avery Highway.

From: Representative Joann Freeborn

Mr. Chairman, members of the committee:

My name is Joann Freeborn. I represent District #107 which includes parts of Clay and Dickinson counties. Highway 82 runs thru that part of my district. I am proud to be a sponsor of HB 2300 and am here to support passage of this bill out of the Senate Transportation Committee. In the bill we encouraged private donations for signage and saw no need for fiscal impact. The change in the way the name will be presented is agreeable to me as it satisfies the Avery family.

I have known Gov. Bill Avery for nearly 30 years and hold him in great respect. He served ably as Governor, as a statesman and as a member of his community at Wakefield. I view this as an opportunity to give honor to a man who has given "with honor" in all areas of his life. As members of the community travel this stretch of Highway 82, they will share in the pride because they were a part of his strength; they were a source of encouragement as he served.

I believe it is a wonderful tribute to bring recognition to public personages while they are here to enjoy the moment.

Thank you for your attention and please pass HB 2300.