

Approved: April 29, 1994

Date

MINUTES OF THE HOUSE COMMITTEE ON TRANSPORTATION.

The meeting was called to order by Chairman Rex Crowell at 1:30 p.m. on January 19, 1994 in Room 519-S of the Capitol.

All members were present except: Rep. Lloyd, Excused
Rep. Lawrence, Excused
Rep. Garner, Excused

Committee staff present: Tom Severn, Legislative Research Department
Hank Avila, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Donna Luttjohann, Committee Secretary

Conferees appearing before the committee: Betty McBride, Director of Vehicles
Don Moler, Kansas League of Municipalities

Others attending: See attached list

Chairman Crowell recognized Betty McBride. Ms. McBride asked the committee to introduce two bills for the Division of Vehicles. The first bill requested concerns the expansion of the scope of the IRP clearing fund. See Attachment 1.

The second bill request dealt with cab cards. See Attachment 1.

Rep. Dillon made a motion to introduce the requested legislation. It was seconded by Rep. King. The motion carried.

The Chairman opened the hearing on HB 2558 regarding the taxing of aviation fuel. The Chairman requested that Tom Severn brief the Committee regarding the bill.

Don Moler, Kansas League of Municipalities, was recognized by the Chairman and gave testimony as a proponent of the bill. See Attachment 2.

Chairman Crowell closed the hearing on HB 2558.

He adjourned the meeting at 2:15 p.m. with the next meeting scheduled for January 25, 1994, at 1:30 p.m. in Room 519-S of the Capitol.

HOUSE TRANSPORTATION COMMITTEE

[illegible]

STATE OF KANSAS

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Department of Revenue
Division of Vehicles

To: The Honorable Rex Crowell, Chairman
House Committee on Transportation

From: Betty McBride, Director, Division of Vehicles
Kansas Department of Revenue

Date: January 19, 1994

Subject: Proposed Legislation

The Division of Vehicle's proposed legislative package consists of two bills. We respectfully request that the bills be introduced and given favorable consideration by the your committee. A brief synopsis of each of the proposed bills is provided below.

Proposed Bill No. 1 -- Expand the scope of the IRP clearing fund to include the following:
Amend K.S.A. 8-1,101 (c) to:

- a) allow all deposits from interstate motor carrier registration fees, distribution to other jurisdictions and to Kansas, and refunds, to be made from the IRP clearing fund;
- b) direct investments to be made as provided in K.S.A. 68-2324; and,
- c) direct that earnings be credited to the state highway fund.

Proposed Bill No. 2 -- Amend K.S.A. 8-1,114 relating to interstate motor carriers to create the following:

- a) a "modified" or "corrected" cab card (reissued for weight increases, added jurisdictions, etc.) at the current fee of \$1.00;
- b) a "replacement" cab card (reissued for lost, destroyed, mutilated or stolen cab card), at a fee of \$3.00;
- c) replace the language requiring a "sworn statement" with "statement by an officer of the company"; and,
- d) replace the language "prorate" with "apportioned".

HOUSE TRANSPORTATION
January 19, 1994
Attachment 1



THE LEAGUE OF KANSAS MUNICIPALITIES

Municipal Legislative Testimony

AN INSTRUMENTALITY OF KANSAS CITIES 112 S.W. 7TH TOPEKA, KS 66603-3896 (913) 354-9565 FAX (913) 354-4186

TO: House Transportation Committee

FROM: Don Moler, General Counsel

DATE: January 19, 1994

SUBJECT: HB 2558, Tax on Sale of Aviation Fuel

The League appears here today in support of the HB 2558, a bill to give statutory authority to allow a municipality to impose a tax upon the gross receipts received for the sale of aviation fuel sold on the premises of a municipal airport. This tax would be in addition to any other to any other taxes which are imposed pursuant to the motor fuel tax law.

The League believes this to be a very fair and reasonable taxing opportunity for municipalities which operate airports. Specifically, the tax may be placed on those individuals and businesses which are utilizing the facility and service. This has the effect of lessening the pressure on other revenue sources of the city and thus reduces the pressure to tax individuals and businesses which do not use the municipal airport.

HB 2558 would be a local option tax which would place the authority in the hands of local officials who operate the municipal airport. It would allow local flexibility and discretion in the implementation of the tax and would clearly allow for regional and operational differences in municipal airports. Clearly this type of local authority provides needed flexibility and places the decision-making responsibility at the level of government which is also responsible for the care and maintenance of the airport facilities.

Finally, the proposed tax places no additional burden on the State as it would be collected at the local level and therefore would not have to be run through the State's collection mechanism at the Department of Revenue. Ultimately, it is a fair tax which could be placed upon those individuals and businesses which use the public facility and we believe that municipalities should have the power to implement this local tax on the sale of aviation fuel at municipal airports.

Thank you for allowing the League to testify on this issue.

HOUSE TRANSPORTATION
January 19, 1994
Attachment 2