Approved: 3/14/95
Date

## MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES.

The meeting was called to order by Chairperson Ben Vidricksen at 9:00 a.m. on March 13, 1995 in Room 254-E of the Capitol.

All members were present except:

Committee staff present: Hank Avila, Legislative Research Department

Ben Barrett, Legislative Research Bruce Kinzie, Revisor of Statutes Martha Ozias, Committee Secretary

Conferees appearing before the committee:

Pat Wiechman - Kansas Automotive Dismantlers and Recyclers Assn.

Betty Faler - Kaw Motor and Salvage John Robbins - Robbins Salvage

Howard Cleous - Kansas Insurance Pool Inc. Paul Davis - A-Plus and Salvage, Wichita Randy Hearrell - Topeka Salvage Pool

Others attending: See attached list

#### SB 254 - CONCERNING SALVAGE VEHICLE DEALERS

Pat Wiechman addressed the committee on this bill which would prescribe minimum requirements for salvage yards and motor vehicle salvage pools. The requirements do not apply to salvage dealers or salvage pools in business prior to July 1, 1995 and deletes the requirement that a notarized bill of sale and a copy of the title be given to the buyer of a major component part. Vehicles ten model years old or older are exempt from the requirement to furnish the vehicle title or photocopy of the title as proof of legal possession of the major component part. (Attachment 1)

Betty Faler stated that paper work for salvage yards is expensive and time consuming and she supports the bill.

John Robbins showed and explained his method of keeping records for his business and stated that he could comply with this legislation.

Support for this bill was also given by Howard Cleous who stated that he felt this legislation would help stop the flow of stolen parts and vehicles. (Attachment 2)

Paul Davis requested the committee to restore order and integrity to the laws that govern the conduct of the salvage business by having all automotive dismantlers in the state legitimately engaged in the commerce of used and recycled automotive components. (Attachment 3)

Randy Hearrell spoke in opposition to this bill which he thought would make more stringent requirements of salvage vehicle pools. He felt the proposals were not necessary or not workable. If this bill passes, he requested a amendment to appoint a salvage vehicle pool representative to the Dealer Review Board. (Attachment 4)

The Chairman asked the concerned parties to remain after the meeting to work out a compromise.

A motion to approve the minutes of the March 9th meeting was made by Senator Papay. A second was made by Senator Harrington. Motion carried.

The next meeting is scheduled for March 14, 1995.

# SENATE TRANSPORTATION AND UTILITIES COMMITTEE GUEST LIST

DATE: March 13, 1995

NAME	REPRESENTING
Tom WhITAKER	KS MOTOR CARRIERS ASSIN
Ed Newsom	KAWSAS City SALVAGE POOL/ COPYRET
SHELLY PLEKOWSK	FAMUSAS CITY SALVAGE POOL/COPART
Flanchy Heavrell	TOPERA SALVAGE POOL
Len Bely	Lengtheon Hirerafot Co.
See Wright	Farmers Ins. Group
Jacque Oaks	To. In aito Dealers Ossoz,
Soseph Krahn	KDOT
STEVE KODINA	KHP
HONARD G. Gars	KARS. Ins. Pool Inc
DAUL & DAVIS	A-AUS ADETS ISALUBGE, TOK
Cileen Jones	Mid-America Import Salvaga
Mancy G. Kemmerer	K-15 Auto Salvage, Inc.
John & Robbins Je.	Robbins Salvage
Billeya. Fraler	You Motor & Silvage
Hory Mall	Kaw Mila & Solveye
Betty Mc Bride	KDOR-MUD
Rick Schiebe	KDOR-MUD



# SENATE COMMITTEE ON TRANSPORTATION & UTILITIES

March 13, 1995

#### Senate Bill No. 254

Chairman Vidricksen, Members of the Committee:

I am Pat Wiechman, executive director for the Kansas Automotive Dismantlers and Recyclers Association. *Recycling* has become a buzz-word that we often hear; and the automotive recycling industry has been around since before *recycling* became the "thing to do." While many industries like to brag about their accomplishments in making our world a better place to live, our recyclers have been recycling for more than half a century. With the many facets involved, we are the 16th largest industry in the United States.

We are here in this meeting today because the members of our Association believe strongly that there are changes and improvements that <u>must</u> be made in the industry. Toward that end, we have actively participated in various state and national committees and task forces to include the International Association of Auto Theft Investigators, and the National Stolen Auto Parts Information System Task Force.

There was a predecessor to Senate Bill 254, that being SB 162 which was introduced during the 1993 Session and was the subject of a 1993 interim study. After the bill was introduced, there followed

**Executive Office** 

1101 W. 10 Topeka, Kansas 66604

913-233-1666 - Fax - 233

SENATE TRANSPORTATION

-DATE: 3/13

ATTACHMENT:

extensive work with the Division, Kansas Highway Patrol, and other involved parties to address the problem of stolen motor vehicles and to assist our communities in their clean-up efforts. In the 1994 Session, following in-depth consideration by this committee, including sub-committee study, the bill was passed by the Senate. The House Committee amended the bill to address only those provisions relating to motor vehicle major component parts. SB 162 then died in Conference Committee. Provisions requested by the Highway Patrol that addressed major component parts; and some provisions directed at controlling activities in the salvage vehicle pools were amended into another bill that combined four different vehicle related issues. During the hearings on SB 162, opponents of the bill principally opposed a provision of the bill which requires salvage vehicle pools to collect retail sales taxes on salvage vehicles sold to individuals.

As in the former bill, SB 254 relates to salvage vehicle dealers and salvage vehicle pools. Requirements proposed for the salvage vehicle dealer would include provisions that a salvage yard would consist of a minimum of 40,000 square feet, unless all of the business of the salvage vehicle dealer is conducted within the confines of a building. The yard would also have to be shielded by a fence between 6 and 10 feet high which would shield the inventory of the business from ordinary view. A hedge of equal height and density could act as a substitute for the fence and could exceed the 10-foot height limitation. Inspectors of fences or enclosures would be directed to take into account the topography of the land, but they must not allow violation of the United States Highway Beautification Act of 1965 or the Kansas Junkyard and Salvage Control Act. A building used in the business could also be used to shield the business inventory from ordinary view.

The office in which the business would be transacted would have to be a permanent structure of sufficient size to conduct such business, this area to consist of (1) A minimum area of 1,000 square feet; (2) area devoted to sales transactions; (3) an office to maintain records required to operate the business by the salvage vehicle dealer.

Nonowned vehicles stored for the general pubic would be required to be held in a segregated area and easily identifiable from the inventory of the salvage vehicle dealer. The salvage vehicle dealer would be required to maintain separate records of transactions concerning these vehicles.

The bill exempts existing salvage vehicle dealers from the minimum area requirement of 40,000 square feet and the minimum office space requirement of 1,000 square feet so long as the salvage vehicle dealer remains in continuous operation at the same business location. A salvage vehicle dealer will not be considered in continuous operation if the salvage vehicle dealer is closed for two consecutive months, unless the continued operation status is approved by the Director of Vehicles.

Business requirements on salvage dealer yards include a requirement that regular business hours be posted in plain view and that records be available for inspection during regular business hours by any employee of the Division of Vehicles or any member of the Kansas Highway Patrol. Salvage vehicle dealers would be required to provide information on their previous business history to the Director of Vehicles, when applying for a license.

The bill requires that when a major component is sold the part be accompanied by a numbered sales receipt that shows the part sold; the vehicle identification number of the vehicle from which the part was removed; the date of sale; the name, vehicle dealer licensing number, if applicable or other verifiable identification, address, and telephone number of the seller. The seller would have to provide, upon request of law enforcement, the vehicle title or a photocopy of the vehicle title as proof of legal possession of the major component part. If the vehicle from which the part was removed is 10 model years or older, the requirement to provide the vehicle title or photocopy of the title as proof of possession would not apply.

The existing language requires a copy of the title to accompany major component parts. This has proved to be impossible for enforcement and compliance. If a copy of the title is needed, then law enforcement can require the dealer to supply a copy. By exempting vehicles 10 model years and older

we follow the example already set by Kansas and Federal Statute which exempts vehicles 10 model years or older from odometer certification. Additionally, this will help the small dealers in rural Kansas who have so many older vehicles on hand. There is nothing within the bill that would preclude an individual from selling automotive parts. If the part is on the "major component part" list, then a sales receipt would need to be given to the buyer. If the part is not on the list or the vehicle was over 10 model years old, then these requirements would not apply.

The definition of "Major Component Part" would be any vehicle part including the front clip, rear clip, doors, frame, chassis, engine, transmission, transaxle, cab, bed and box bearing the public vehicle identification number or engine number, or any vehicle part bearing a derivative of such number.

The requirements for salvage vehicle pool are the same as those for salvage vehicle yards except for the office space requirements. Salvage pools may not operate at the same location where any salvage yard is operated. Salvage vehicle pools will not be issued dealer license plates or full-privilege plates.

The bill restricts salvage vehicle pools from selling a salvage vehicle when:

- 1. there is reasonable cause to believe the seller is not the legal owner of the vehicle;
- 2. the sale is made to a person not licensed as a salvage dealer unless the sales tax is collected and if the sale is not exempt from sales tax by law;
- 3. the pool does not have available on the premises a certificate of title or a photocopy or a facsimile of the title of a salvage vehicle sold by the salvage vehicle pool to provide verification of mileage at the time of sales, unless the vehicle is exempted under law; and
- 4. the true owner of such vehicle is not disclosed.

The bill would prohibit any person from being a salvage vehicle pool unless such person holds a license issued by the Director of Vehicles; the license fee would be \$50.

Finally, the bill would eliminate the requirement for filing a quarterly report listing vehicles for

which the major component part has been disposed. Our dealers would still be required to file the

monthly sales report and send in titles on vehicles that have been junked. This report has turned out

to be a lot of extra paper work for the Division and has served no purpose or benefit for them.

This Committee has spent a great deal of time studying the issues that are addressed by SB 254.

Like its predecessor, SB 254 brings solutions to the problems of vehicle theft and stolen vehicle parts.

Trafficking in these areas is a multi-billion dollar business, is it any wonder that there are those who

continually oppose this type of legislation? We want to express our sincere appreciation to Senator

Vidricksen and this Committee for allowing us to be here again. K.A.D.R.A. believes this is a very

important piece of legislation and would ultimately be a great benefit to Kansas. Your favorable

consideration of SB 254 will be appreciated. I will be happy to attempt to answer any questions you

may have.

Respectfully submitted,

Patricia M. Wiechman Executive Director

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Kansas Insurance Pool Inc. 4510 S. Madison, P.O. Box 16190 Wichita, Kansas 67216

March 13, 1995

Dear Senators,

My name is Howard G. Cleous. I have been directly associated with and doing business with insurance salvage pools for the past thirteen years. For the past two years I have been the sole owner of an insurance pool in Wichita, Kansas. The license for that pool is attached.

I was in favor of Senate Bill 162 of 1993. I now support Senate Bill 254. I feel that this bill will help stop the flow of stolen parts and vehicles. I do not sell a vehicle through the Kansas Insurance Pool until I have the title in house. I do not sell to non-salvage dealers, therefore the sales tax law does not apply.

Thank you,

Howard G. Cleous

President and CEO

Kansas Insurance Pool Inc.

SENATE TRANSPORTATION
- DATE: 3//3
ATTACHMENT: 2

# KANSAS DEPARTMENT OF REVENUE DIVISION OF VEHICLES

# KANSAS SALVAGE VEHICLE POOL CERTIFICATE OF REGISTRATION

Kansas Insurance Pool, Inc. 4510 S. Madison Wichita, Kansas 67216

IS REGISTERED AS A

Salvage Vehicle Pool 1995

Betty McBride, Director
Division of Vehicles

John LaFaver Secretary of Revenue

## SENATE COMMITTEE ON TRANSPORTATION & UTILITIES

March 13, 1995

#### Senate Bill No. 254

Chairman Vidricksen, Members of the Committee:

I am Paul Davis, a Kansas automotive dismantler and recycler, and owner of A-Plus Parts and Salvage in Wichita. Thank you for this opportunity to talk to you about SB 254.

This seems to have become the bill that would not die. There is a reason for this. Some people are convinced this is important. Two years of work led to the passage by the Senate of the bill that preceded SB 254. It became entangled on the House side and went down to the last hour of the last days in conference committee, where the former chairman of the House Transportation Committee said he "didn't give a 'rip' if any of this got passed."

At the beginning of the former administration, when the new department heads were appointed, members of the automotive recycling industry called to the division's attention certain practices and scenarios that provide opportunities for improper transactions to occur. We inquired of the division as to whether regulations or legislation would be required to address these situations. The division representative instructed us to have our state association suggest changes to law that we thought would be in the best interest of industry and consumers. The division stated that after review of the proposal by their legal staff, they would present it in their legislative wish list.

The result of nearly a year's research and study of other states' laws and how these states had addressed similar situations, was the proposal that our association's legislative committee provided to the division. Most of the suggested changes were eventually incorporated into the former bill.

At the direction of the Senate Sub-Committee, all interested parties were given the opportunity to meet and iron out any problems with the bill. At the end of the last of these meetings, all parties present were given the opportunity for a

line by line critique of the bill and no further objections were voiced. Our association then proceeded with the support of the bill with the belief that we had the approval and support of all parties concerned, to include the division and the salvage vehicle pools. However, this was not to be the case as the division found itself encumbered by a directive to take a "no position" on all legislation other than that they felt compelled to oppose because of an inability to administer.

The most vocal opponent of the bill only began voicing opposition after the bill went to the House; and then only in nonspecific terms. He shared with the Conference Committee that he felt he had a better chance at opposing the concept on the This representative of the Topeka Salvage Pool House side. highlight he could not although that objections, he felt compelled to speak in opposition because he felt some fear that there was a peanut in it for someone other than the pools and that the pool he represented would suffer. The result was a fragmentation of the bill in which selected parts were incorporated into the "Omnibus Transportation Bill of The resulting lack of integration has been a source of much difficulty for the division and the patrol to enforce and the automotive dismantlers of Kansas to comply with.

Over the past several years that I have been involved with this, I've had conversations with legislators and fellow recyclers who keep asking the questions:

1) who are you trying to put out of business? 2) where's the peanut? 3) what's in it for me? and 4) when are you going to give up?

First of all, I'm not planning to give up as long as I'm convinced that the changes are for the common good of the industry and for the citizens of Kansas, my customers and the Kansas taxpayers.

What's in it for me is the same that is in it for you. A level playing field and appropriate disclosures.

Who am I trying to put out of business? The same people you and your neighbors would rather not coexist with, the car thieves and their distribution system of chop shops, fences, and sleazy dealers. The bill contains grandfather clauses that ensure that no existing Kansas business will be harmed.

Perhaps, if there is a peanut, it lies in that salvage vehicle pools, when selling to the public, would have to collect sales tax on the retail sale. We found it fascinating last year

that the reservations of the representative of the one salvage vehicle pool in the State of Kansas that openly chooses to market its client's goods to the general public without warranties or the collection of sales tax could have such a profound influence on legislative proceedings.

So we come before you again to request that you restore order and integrity to the laws that govern the conduct of the businesses we represent, that being all automotive dismantlers in the State of Kansas legitimately engaged in the commerce of used/recycled automotive components. I appreciate this opportunity to share this information with you and encourage your favorable support of SB 254. I will be happy to try to answer any questions that you may have.

Respectfully submitted,

TESTIMONY ON 1995 SB 254 (03/13/95)

My name is Randy Hearrell. I am a shareholder in Topeka Salvage Pool, Inc. and I

appear before the Senate Transportation Committee in that capacity.

I appear in opposition to the bill as it relates to Salvage Vehicle Pools. 1994 House

Bill 2974, which is an outgrowth of 1993 SB 162 and became law this year, has brought salvage

vehicle pools under the Licensure of Vehicle Sales and Manufacture Act and protected the public

against motor vehicle theft by requiring salvage vehicle pools to have titles to vehicles they offer

for sale.

The salvage dealers propose repeal of anti-theft measures which apply to them and I take

no position on that proposal or their proposal to make certain statutory requirements on their

business.

I do oppose their effort to make even more stringent requirements of salvage vehicle

pools. The proposals are either not necessary or not workable.

Although I oppose passage of this bill, if it does pass I request that K.S.A. 8-2412 be

amended to appoint a salvage vehicle pool representative to the Dealer Review Board.

SENATE TRANSPORTATION

ATTACHMENT: 4

INSURANCE	TOTALED UEHICLE, WITH INSURANCE, PUTCHASED BY SALUAGE UEHICLE DEALER						
WHERE VEHILLE GOES							
3000	IN OWNERS NAME						
TOW LOT	Stays in owners NAME						
SALUAGE	TITLED TO TUSURMUL						
POOL	Company's NAME						
SALUAGE YARD	Titled IN Salvace Wehicle Dealer's NAM						
	APPENDIA						

4-2

#### SALVAGE POOL FACTS

- Average price of each vehicle sold at a salvage vehicle pool is approximately \$1,200.
- There are over 500 salvage dealer licenses in Kansas.
- There are six salvage pools registered in Kansas.
- Salvage pools as an industry have been in existence since approximately 1965.
- Prior to establishment of salvage pools, the percentage of value returned on selling wrecked vehicles was less than 10%. Today, the average return on the sale of wrecked vehicles in salvage pools is approximately 22%.
- Income from salvage is the second largest income (after premium) for insurance companies. Every dollar in salvage returned to the companies equals one less dollar required in premiums.
- Less than 10 million cars were totalled in the United States last year of which fewer than 2 million went to salvage pools.
- Of the motor vehicles that go to salvage pools, approximately 70-80% are not rebuildable and approximately 20-30% are rebuildable.

### KANSAS SALVAGE POOLS 1994

		_ "				
	Approximate # Vehicles Sold	Salvage Dealers	Used Car Dealers	Public	# Vehicles Sold to Public	
	7 CHICLOS BOIL	DOMOTO	<u> </u>	1 40110	SOIG TO T GOILD	
Kansas CitySalvage Pool	17,000	Yes	Yes	No	0	
Manhattan Storage Pool	< 500	Yes	Yes	No <sup>(1)</sup>	0	
Topeka Salvage Pool	2,000	Yes	Yes	Yes	315	
Wichita Insurance Pool	7,000	Yes	No	No	0	
Kansas Ins. Pool (Wichita)	2,000	Yes	No	No	0	
Wooden Nickel Salvage Pool						
(Chanute)	< 500	Yes	Yes	No (1)	0	

Does not sell to public, but will sell to persons who are not salvage dealers or used car dealers if they have a tax number.

## KANSAS VEHICLE DEALER LICENSES (1)

TYPE	NO
Used Vehicle Dealer	1,200
New and Used	650
Used and Salvage Vehicle Dealer	450
First Stage Manufacturer	200
Lending Agencies	100
Manufactured Homes (6)	90
Salvage Vehicle Dealers	80
Distributor	50
First or Second Stage Converters	40
Second Stage Manufacturer	32
Wholesale Vehicle Dealer	20
Factory Branch	12
Auction Motor Vehicle Dealer	8
Registered Salvage Pools	8 6 5
Vehicle Broker Dealer	5
Distributor Branch	1

APPENDIX 4

Source 1994 Kansas Department of Revenue publication D-28 "Kansas Vehicle Dealer Numerical and Alphabetical Listings" (1)

8-2402. Declaration of public policy. It is hereby declared to be the public policy of this state to provide for fair and impartial regulation of those persons engaged in manufacturing, distributing or selling of vehicles. The provisions of this act which are applicable to such activities shall be administered in such a manner as will continue to promote fair dealing and honesty in the vehicle industry and among those engaged therein without unfair or unreasonable discrimination or undue preference or advantage. It is further declared to be the policy of this state to protect the public interest in the purchase and trade of vehicles, so as to insure protection against irresponsible vendors and dishonest or fraudulent sales practices and to assist, provide and secure a stable, efficient, enforceable and verifiable method for the distribution of vehicles to consumers in the state of Kansas and provide a system of tracking the flow of vehicles and their parts as well as preserving supporting services for consumers purchasing or otherwise acquiring vehicles.

Appendix 5

#### SENATE BILL NO. 254

- (w) (1) No person shall engage in the business of a salvage vehicle pool, unless such person holds a license issued by the director under the provisions of this act.
- 12 (2) No person licensed as a salvage vehicle pool under this act shall-
- 13 (A) Sell a salvage vehicle when having reasonable cause to believe it 14 is not offered by the legal owner thereof;
- 15 (B) sell a salvage vehicle to any person except a person licensed as a 16 salvage vehicle dealer under this act unless sales tax is collected, unless 17 otherwise exempted from sales tax by law;

(C) fail to have available on the premises a certificate of title or a facsimile or photocopy of the complete title of a salvage vehicle sold by the salvage vehicle pool to provide verification of mileage at the time of sale, unless such vehicle is included in the exceptions as set forth in K.S.A. 8-135, and amendments thereto:

Not necessary. K.S.A. 8-2436 requires pools to have, on premises, titles or copies of titles to vehicles sold (Dept. of Revenue has interpreted sold to mean "offered for sale"). Also, K.S.A. 21-3701, the theft statute says theft is "obtaining or exerting unauthorized control over property."

Not workable. Sales tax is paid to county when vehicles are registered or Dealers provide sales tax receipts on cars they sell and forward money to Dept. of Revenue and buyers receive credit at the county when vehicles are registered. Salvage pools are service business; these vehicles are property of insurance companies and dealers do not collect sales tax and write receipts on vehicles they do not own.

Not necessary. K.S.A. 8-2436(b) reads as follows:

(b) A salvage vehicle pool shall have available on the premises a certificate of title or a facsimile or photocopy of the complete title of a salvage vehicle sold by the salvage vehicle pool.

Not workable as rewritten. Some titles to salvage vehicles do not have mileage on them.

23 (D) operate as a salvage vehicle pool at the same location where any 24 salvage yard is operated;

Not necessary. This is anti-competitive. State Licenses 450 Salvage/Used Car Dealers combinations, why should Salvage Dealer/Salvage Pool combinations be prohibited.

Not necessary. Marketplace takes care of this.

25 (E) sell any vehicle without disclosing the true owner of such vehicle 26 prior to sale.

Not necessary and not workable. Salvage pools do this in Wichita. In Topeka and Kansas City, this can be determined by coding on windshield.

- 27 (3) A salvage vehicle pool shall consist of the following:
- 28 (A) A minimum area of 40,000 square feet, unless all of the business
- of the salvage vehicle pool is conducted within the confines of a building:
- 30 (B) enclosed by a fence meeting the following requirements:
- 31 (i) Having a minimum height of six feet with a maximum height of 10
- 32 feet; and

- 33 (ii) such fencing shall meet the requirements of the United States high-
- way beautification act of 1965, as amended, where applicable or K.S.A.
   68-2201 through 68-2215, and amendments thereto;
- 36 (C) a building, used in the business, may be used in whole or in part 37 to shield the inventory of the business from ordinary view;
- 38 (D) if the business of the salvage vehicle pool is conducted within the confines of a building, the provisions of (B) and (C) shall not apply.

Not necessary. Kansas City has 38 times that much space. Topeka has 10 times. Let the marketplace determine required size.

Not necessary. Pools are fenced because these vehicles are valuable commodities and must be protected. The marketplace requires that we protect the insurance companies' cars. We have fencing, barbed wire, some electrical fence, a video camera and guard dogs. Tires, wheels, radios, CD's and air bags must be protected if you want to keep insurance companies as your customers.

Not necessary. The United States Highway Beautification Act of 1965 is the law as is the Kansas Junkyard and Salvage Control Act.

Not necessary. Current law.

Not necessary. If you are inside a building you clearly do not have to build a fence.

(4)	The office is	n whic	h such	business	will be	transacted	will l	be in	a
	re of sufficie	nt size	to con	luct such	business	, this area	shall	consis	t
.he j	following:	_	_						

(A) Area devoted to sales transactions;

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(B) an office to maintain records required to operate business by the salvage vehicle pool;

(C) regular business hours posted in plain view; and

(D) records of the business available for inspection during regular business hours by any employee of the division or any member of the highway patrol as set forth in subsection (c) of K.S.A. 8-2408, and amendments thereto.

8 (5) A sign meeting the provisions of subsection (m) of K.S.A. 8-2404, 9 and amendments thereto.

10 (6) Any salvage vehicle pool which was lawfully in existence on July
11 1, 1995, shall not be required to meet the requirements of subparagraph
12 (A) of paragraph (3) so long as such salvage vehicle pool remains in con-

3 tinuous operation at the same business location. A salvage vehicle pool

will not be considered in continuous operation if such salvage vehicle pool

is closed for business for a period exceeding two consecutive months, un-

less such closure is approved by the director.

Not necessary.

Not necessary. Dept. of Revenue requires as part of registration

Not necessary. The Highway Patrol is in our lots regularly to inspect vehicles. And all pools have let Dept. of Revenue know they are welcome. I believe the licensing act contemplates access. In meeting with Highway Patrol and Dept. of Revenue and all Salvage Pools last summer, we inquired if we could work with them to draft legislation in any area. They said they were satisfied with 1994 HB 2974 and would contact us if necessary.

Not necessary. Dept. of Revenue requires.

Not necessary. Let the marketplace decide.

17 (7) Salvage vehicle pools shall not be issued dealer license plates under 18 K.S.A. 8-2406, and amendments thereto, or full-privilege license plates 19 under K.S.A. 8-2425, and amendments thereto. Not workable. Necessary for Salvage Pools to also be used car dealer to sell vehicles abandoned to pools. Also the corporation is a licensed used car dealer. This profit center is important to us and dealers plates are necessary to its operation.

STD-8 (Rev. 3/78) 6159804 KANSAS DEPARTMENT OF REVENUE DIVISION OF TAXATION STATEMENT OF KANSAS STATE AND LOCAL RETAIL SALES TAX PAID This is to certify that\_ \_, pay Sales Tax as indicated to . 19\_ Kansas, did on the\_ \_day of\_ the undersigned on the motor vehicle described hereon. Sales Tax Reg. No.. Selling Price (including all accessories) Make. Less Trade-In . Cash Difference Eng. No. NOTE: This copy must be delivered by purchaser to county treasurer when application is made for the title and registration or registration transfer. Not to be accepted by treasurer unless entirely completed. City Tax White: Customer Copy Pink: Dealers Copy (Dealer)

Appendix 9

#### TEXAS SALVAGE CERTIFICATE

JT4RN63R0H0121676

1987

TOYT CERTIFICATE NUMBER . PK

DATE ISSUED

MFG. CAPACITY

WEIGHT

LICENSE NUMBER

29708134721074147

01/24/95

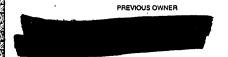
PREVIOUS TITLE STATE

AR

ODOMETER READING

OWNER

GEICO INS CO 4201 SPRING VALLEY RD DALLAS, TX 75244



REMARK(S)

This Salvage Certificate is issued as a receipt verifying that title to the vehicle described herein has been cancelled in accordance with Vernon's Annotated Texas Statutes, Article 6687-2. This is to certify that the person herein named is the owner of the vehicle and there are no liens against this vehicle recorded in the official records of this department as of the date of issuance of this certificate.

TEXAS DEPARTMENT OF TRANSPORTATION VEHICLE TITLES AND REGISTRATION DIVISION

INSTRUCTIONS	TO REBUIL	.DER
--------------	-----------	------

If this vehicle is rebuilt, the owner responsible for the rebuilding of the vehicle (licensed dealers excluded) must file an application for title with his County Tax Assessor-Collector. The application for title must be supported by the following evidence:

1. This Salvage Certificate;

2. An inspection statement completed by a Law Enforcement Officer, a pencil tracing, or an Affidavit of Physical Inspection (Form VTR-270) executed by the applicant confirming the identity of the vehicle;

3. A Rebuilder's Affidavit (Form 61) executed by the rebuilder of the vehicle.

An inspection by an authorized vehicle safety inspection station is required even though the vehicle may already display a valid inspection certificate which was issued prior to rebuilding the vehicle. The vehicle inspection certificate number and expiration date must be recorded on the Rebuilder's Affidavit (Form 61).

INSPECTION STATEMENT

I hereby certify that I have inspected the vehicle described above and found it to be in operable condition. I further certify that I have inspected the Vehicle Identification Number and that such number is as shown herein and that to the best of my knowledge, it has not been tampered with or

FORM VTR-222 REV. 8-94

2380281

VEHICLE IDENTIFICATION NUMBER

SIGNATURE OF OFFICER

BADGE NUMBER

DEPARTMENT

CITY



Bids Close: 03/08/95

## TOPEKA SALVAGE POOL, INC. 729 NE Kincaid Rd Topeka, KS 66616

NAME _		
ADDRES	S	

(913) 235-3046 Fax: 235-0639

CITY STATE ZIP BUYER #\_\_\_\_ PHONE #\_\_

(1)

Hours: 8-5 M-F 9-1 Sat. Clsd. Sun

Bid Amount	Stock No.	Stall	Year, Make, Model	cyl.	Trans.	Odometer	Primary Damage
		CLR5	89, Volkswagen, Fox	4CYL	4SPD	58,633 A	F
	0026	CLR5	84, Toyota, Tercel S.W. 4X4	4CYL	5SPD	249,770 E	U/LS
	0027		90, Honda, CRX	4CYL	5SPD	59,575 A	BS
	0030	CLR5 CLR3	89, Mercury, Sable S.W.	V6	AUTO	81,798 A	F
	0032	CLR3	88, Ford, Taurus	4CYL	AUTO	97,883 A	F
	0035	CLR3	85, Buick, Century	V6	AUTO	22,957 E	AO
	0036	CLR5	85, Chevrolet, C20 Van	V8	AUTO	24,327 E	RS
	0037	CLR5	81, Nissan, 210 Station Wagon	4CYL	AUTO	160,757 E	F.
-	0038	CLR5	86, Mazda, 626	4CYL	AUTO	130,417 A	LS
	0039	CLR3	88, Pontiac, Grand Prix	V6	5SPD	132,831 A	LR
	0040	CLR2	87, Ford, Escort S.W.	4CYL	4SPD	94,440 A	LF
	0041	CLR2	87, Ford, Taurus	V6	AUTO	32,260 N	F
	0042	CLR3	88, Ford, Tempo GL	4CYL	AUTO	97,594 A	LF
	0043	CLR2	83, Buick, Regal Limited	V6	AUTO	6,376 E	F/R
	0044	CLR2	87, Dodge, Aries	4CYL	AUTO	16,827 A	LF/LS
	0045	CLR2	86, Buick, Lesabre Limited	V6	AUTO	132,296 A	LR "
	0046	CLR4	94, Ford, Ranger XLT PU EC	V6	AUTO	4,424 A	LS
	0047		88, Toyota, 4X4 PU	V6	5SPD	92,319 A	F
	0048	CLR6	90, GMC, Jimmy 4×4	V8	AUTO	69,374 A	RO
	0049	CLR6	71, Volkswagen, Van Campmobile	4CYL	4SPD	32,712 E	AO/RO
•	0050	HAYS	90, Ford, LTD Crown Victoria	V8	AUTO	15,552 +	LF
	0051	CLR3 CLR2	85, Chevrolet, Z28 Camaro	V8	AUTO	66,598 E	F/RS/U
	0052	CLR2	87, Mazda, B2200 SES Ext. Cab	4CYL	AUTO	109,206 A	F
	0053 0054	CLR6	87, Toyota, King Cab 4x4	4CYL	5SPD	216,637 A	LS
	0055	CLR6	88, Jeep, Cherokee 4x4	6CYL	5SPD	118,068 A	RO ·
	-	CLR6	91, Chevrolet, Suburban	V8	AUTO	75,419 A	F/LR
	0056 0057	CLR6	94, Mazda, MPV SW 4X4	V6	AUTO	2,646 A	RO .
	-		85, Chevrolet, Cube Van	V8 .	AUTO	53,062 N	HA
	0058	CLR6 CLR6	89, Chevrolet, 1500 4X4	V8	5SPD	80,946 A	T/V .
	-	CLR2	78, Chevrolet, Caprice Classic	V8	AUTO	45,337 E	LS
	_ 0060 0061	CLR2	85, Chevrolet, Spectrum	4CYL	AUTO	145,750 A	R
	0062	CLR5	87, Mazda, B2200 P.U.	4CYL	5SPD	157,479 A	F/LS
	0063	CLR2	78, Lincoln, Continental	<b>V8</b>	AUTO	37,851 E	RR
	0064	CLR2	57, Chevrolet, Pick-up	6CYL	3 SPD	89,812 E	LS
	0065	CLR4	86, Mercury, Cougar	V6	AUTO	118,836 A	F
	0066	CLR5	86, Honda, Accord	4CYL	5SPD	129,456 A	RF/LF/RR
	0067	CLR5	89, Hyundai, Excel	4CYL	AUTO	96,375 A	R
	0068	CLR5	87, Honda, Accord LX	4CYL	5SPD	88,097 A	F
	_ 0069	CLR4	80, Chevrolet, Caprice	<b>V6</b>	AUTO	43,384 E	NONE
	_ 0009	CLR6	85, GMC, T500 Truck	V8	AUTO	19,336 E	LF
	0071	CLR2	83, Pontiac, Grand Prix	V6	AUTO	24,106 E	F
•	0071	CLR6	89, GMC, Ext. Cab PU	V8	AUTO	116,508 A	F/LS
	0072	CLR4	86, Mercury, Topaz	4CYL	AUTO	14,629 +	RR ····
	0074	CLR6	83, Chevrolet, C20 P.U.	<b>V8</b>	AUTO	23,030 E	RO
	0075	CLR6	69, Chevrolet, Pick-up	V8	AUTO	28,997 E	
	0075	CLR1	76, Chevrolet, Pick-up	6CYL	3SPD	45,987 E	RS
	_ 0077	CLR1	92, Chevrolet, S10 P.U.	V6	5SPD	106,560 A	R



Mrs. Pat Wiechman, Executive Director K.A.D.R A 1101 West 10th Topeka, Kansas 66604

July 1, 1994

Dear Pat,

A meeting was recently held by the salvage pools operating in the state of Kansas. It was the consensus of the salvage pool owners that the flow of communication between salvage pools and K.A.D.R.A. should remain open. Therefore, the purpose of this letter is to reiterate our interest in collaborating with your organization in areas of mutual concern.

Please feel free to contact me or any of the salvage pool operators at any time.

Sincerely

Ed Newsom President

cc: Paul Davis, President, K.A.D.R.A. Ms. Betty McBride, Director of Revenue

VTopeka Storage Pool
Wichita Salvage Pool
Acme Storage Pool

Manhattan Salvage Pool