Approved: 3/24/96

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES.

The meeting was called to order by Chairman Ben Vidricksen at 10:00 a.m. on March 25, 1996 in Room 254-E of the Capitol.

All members were present except:

Senator Brady

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:

John Reinhart - Director of Government Relations, Kansas Press Association, Inc.

Kurt Kessinger - Publisher, Osage County Chronicle

Tom Whitaker - Government Relations, Kansas Motor Carriers Association

Others attending: See attached list

<u>HB 3057 - CONCERNING MOTOR CARRIERS; RELATING TO THE EXEMPTION OF CERTAIN CARRIERS</u>

John Reinhart appeared before the Committee on behalf of this bill which would exempt the transportation of newspapers, which are printed at least once a week, from regulation by the Kansas Corporation Commission. He emphasized that they were seeking only the commodity of newspapers. (Attachment 1)

Kurt Kessinger addressed this bill stating that consolidation and cost saving measures are imperative to the survival of those newspapers who have to travel considerable distance just to have their paper printed. Passage of this bill would enable these publishers to operate freely without fear of some obscure violation. (Attachment 2)

Tom Whitaker spoke in lieu of Mary Turkington for the Kansas Motor Carriers Association and explained that publication of Kansas newspapers has changed from the time that this statute was originally adopted and inasmuch as local publishers sometimes have to travel well beyond the 25 mile radius which surrounds the actual publishing community, it was felt that it would be prudent to exempt this limited category from KCC regulation. (Attachment 3)

Testimony was also distributed but not read from Carter Zerbe, Publisher of the Augusta Daily Gazette. (Attachment 4)

A motion was made by Senator Papay and seconded by Senator Jordan to pass this bill favorably. Motion carried.

Sub HB 2667 - RELATING TO ALL-TERRAIN VEHICLES

Attention was then turned to the All-Terrain Vehicle bill and the Chairman explained the original intent. A motion was made by Senator Jones to amend SB 662-RELATING TO CERTIFICATES OF TITLE; CONCERNING THE DISPOSITION OF TITLE FEES into HB 2667. Senator Jordan seconded this. Motion carried.

A motion was then made by Senator Harris to recommend this bill favorably for passage as amended. Senator Papay seconded this and the motion carried.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES, Room 254-E, 254-E at the Statehouse, at 10:00 a.m. on March 25, 1996.

A request was presented by Senator Harris to amend SB 612-PROVIDING FOR LICENSURE TO CARRY CERTAIN CONCEALED WEAPONS; PROHIBITING CERTAIN ACTS AND PRESCRIBING PENALTIES FOR VIOLATIONS into SB 352-AN ACT RELATING TO TAXATION; PROVIDING FOR A FEE IN LIEU OF LP-GAS TAX FOR CERTAIN VEHICLES. There was some discussion on this and Senator Harris made this request into a motion. It was seconded by Senator Harrington and the motion carried.

Senator Harris then made a motion to recommend this bill favorably for passage as amended. A second was made by Senator Harrington and the motion carried.

The meeting was then adjourned by the Chairman at 10:40 a.m.

The next meeting is scheduled for March 26, 1996.

SENATE TRANSPORTATION AND UTILITIES COMMITTEE GUEST LIST

DATE: MARCH 25, 1996

NAME	REPRESENTING
WALT DARLWG	Ks HIGHTORY PAREOL
KURT KESSINGER	KANSAT PRESS ASSOC.
John Reinhart	KPA
Tom WhITAKER	KS MOTOR CORNICES DESN
PANSOMERVILLE	1/2 AUTO DERLERS ASSA
Ken Bahr	Formir Lifelias
	/

Kansas Press Association, Inc.

5423 SW 7th Street, Topeka, KS 66606 Phone 913-271-5304, Fax 913-271-7341

Senate Transportation Committee House Bill 3057

Testimony of John Reinhart
Director, Government Relations
Kansas Press Association

Thank you for the opportunity to appear on behalf of House Bill 3057. This bill exempts the transportation of newspapers, which are printed at least once a week, from regulation by the Kansas Corporation Commission.

I have with me today Kurt Kessinger, publisher of the Osage County Chronicle, who will explain why it is important you recommend the favorable passage of House Bill 3057.

I have also submitted the testimony of Carter Zerbe, publisher of the Augusta Gazette, who is unable to attend today. As Mr. Zerbe explains in his testimony, for years the Gazette had its own press and was printed in-house. Distribution was largely within the Augusta city limits. Now, however, the Gazette is printed in El Dorado and transported to Augusta for delivery. Because of this, under current law, the Gazette is now subject to KCC regulation.

The same is true of the company's newspaper in Derby.

I would also like to emphasize that the exemption we are seeking exempts ONLY the commodity of newspapers from KCC regulation, it does NOT exempt a carrier who also transports other commodities.

Senate Transportation Committee March 25,1996

Testimony Of Kurt Kessinger Publisher, Osage County Chronicle

Mr. Chairman and Members of the Committee. I am Kurt Kessinger, Publisher of The Osage County Chronicle. First, I want to thank you for allowing me this brief moment to make a few supportive remarks concerning House Bill 3057. Secondly, it gives me a good excuse to escape mometarily the scramble to print and get the weekly Osage County Chronicle out to the readers.

It came as a surprise to me the other day to find that for years I had been in violation of a KCC ruling involving the printing and transportation of my newspaper. In 1977 when I purchased the Chronicle I employed a printing firm in Topeka to print my newspaper. Topeka was the closest, and the trip was 64 miles round trip. Through the years with the purchase of other newspapers in the area and mergers I still printed in Topeka until I was able to centralize a printing plant within my own county putting us within the radial perimeters. Never once prior to this time did I give thought to a KCC violation. It was a three hour stint each week I had to go through to assure the dissemination and delivery of the newspaper.

Today, due to poor delivery service from the post office, we have been forced into delivery to our serving area the newspapers to the Burlingame Post Office (2 blocks), Osage City Post Office (8 miles), Lyndon (17 miles), Overbrook (17 miles), Carbondale (12 miles) and Scranton (6 miles). The entire trip dog-legging and all, is about 64 miles and around 2 1/2 hours.

We are fortunate to have such a close radial operation providing faster service to our readers. In fact, it's a cost increase to our operation to by-pass the post office since we still pay the postage for all papers even though we deliver the newspaper direct to an outlying distribution point.

Consolidation and cost saving measures are imperative to the survival of those newspapers who in many cases travel over 75 to 90 miles to just print. Faced with escalating costs of production these small newspapers are constantly looking to provide better service to its readers with local news.

SENATE TRANSPORTATION DATE: 3/25/9 & ATTACHMENT: 2

Implementation of House Bill 3057 would serve to put at ease those publishers, forced to print outside of the KCC boundaries, enabling them to operate freely without fear of some obscure violation.

Speaking for all of those small newspapers throughout the state, faced with having to travel excessive distances to print and stay in business, support for House Bill 3057 is herewith given to you.

Thank you for your time.

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SENATE TRANSPORTATION DATE: 3/25/94
ATTACHMENT: 2-2

STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

Supporting House Bill 3057 relating to the exemption from KCC regulation of the transportation of newspapers.

Presented to the Senate Transportation & Utilities Committee, Sen. Ben Vidricksen, Chairman; Statehouse, Topeka, Monday, March 25, 1996.

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 along with Tom Whitaker, our Governmental Relations
Director; representing our member-firms and the highway transportation industry.

We support House Bill 3057 which would exempt the transportation of newspapers from regulation by the Kansas Corporation Commission.

Publication of Kansas newspapers has changed from the time that chapter 66 of our Kansas statutes was adopted.

In the beginning, most newspapers served only the local community in which such newspapers were published. The newspaper was printed in the local newspaper "shop" and transportation primarily involved getting the paper to the post office or to local readers who lived in that same town.

Under those conditions, transportation did not exceed the local, 25-mile radius exemption for those who hauled the products they owned, and there was no necessity to even obtain a private carrier permit from the KCC.

Today, as we understand it, publishers may own several "local" newspapers serving several communities. Those local newspapers are edited and printed in one central publishing location and then are transported to the local communities which the newspaper serves. In many instances those communities would be well beyond the 25-mile radius which surrounds the actual publishing community. Therein lies the problem. A private permit would be required by the KCC for those newspaper owners to transport their local papers back to the appropriate communities.

While such a requirement is not an overly burdensome problem, many local publishers would be confronted with this requirement for the first time. It would seem prudent to exempt this limited category from KCC regulation.

I'm certain Kansas newspaper publishers and editors will appreciate your favorable consideration of this bill. Our industry does not object to this limited revision as reflected in the bill before you.

If you have questions or comments, I would be pleased to respond to you at this time.

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Senate Transportation Committee

March 25, 1996

Testimony of Carter Zerbe Publisher, Augusta Daily Gazette

Mr. Chairman, Members of the Committee. My name is Carter Zerbe. I am the publisher for the Augusta Daily Gazette, a daily newspaper in Butler County with a circulation of 2,805. Thank you for the opportunity to appear before you today in support of House Bill 3057.

This bill exempts newspapers transported beyond a 25-mile radius from their point of publication from regulation by the Kansas Corporation Commission.

This bill is needed because of changes that have occurred within the newspaper industry in the past few years.

Until recently, the Gazette had its own press and was printed in-house. Our distribution was largely within the Augusta city limits. Today, however, the Gazette is printed in El Dorado and transported to Augusta for delivery.

Because of this, under current law, we are now subject to KCC regulation.

The same is true for our company's newspaper in Derby. The Daily Reporter is also printed in El Dorado and then driven to Derby for distribution. Newspapers throughout Kansas are also subject to KCC regulation, especially weeklies, whose small staff and limited resources make compliance particularly burdensome. Some publishers in western Kansas must drive as much as 90 miles just to have their paper printed.

I believe this regulation is unnecessary and was never intended for a commodity such as newspapers. In most cases we are talking about a small bundle or two of papers thrown into the trunk of someone's car, the back of their van or the bed of a pickup.

We do not pose a safety hazard nor create excessive wear and tear on Kansas highways.

The favorable passage of House Bill 3057 eliminates unnecessary government regulation of private industry.

On behalf of the Gazette, its readers and the newspaper industry, I urge the favorable pas sage of House Bill 3057.