Approved: Ser Dune Ulburge

#### MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:35 A.M. on March 17, 2008, in Room 123-S of the Capitol.

All members were present except:

Senator Donald Betts, Jr. - excused

#### Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes Alan Conroy, Director, Kansas Legislative Research Department Kristen Clarke Kellems, Assistant Revisor of Statutes Kimbra Caywood McCarthy, Kansas Legislative Research Department Amy Deckard, Kansas Legislative Research Department Audrey Dunkel, Kansas Legislative Research Department Julian Efird, Kansas Legislative Research Department Cody Gorges, Kansas Legislative Research Department Reed Holwegner, Kansas Legislative Research Department Aaron Klaassen, Kansas Legislative Research Heather O'Hara, Kansas Legislative Research Department Leah Robinson, Kansas Legislative Research Department J. G. Scott, Kansas Legislative Research Department Michael Steiner, Kansas Legislative Research Department Jarod Waltner, Kansas Legislative Research Department Melinda Gaul, Chief of Staff, Senate Ways & Means Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Others attending:

See attached list.

Chairman Umbarger turned the Committee's attention to discussion of:

#### Senate Substitute for SB 485--Counties; alternative building construction procurement

Jill Wolters, Assistant Revisor of Statutes provided an update on the bill (Attachment 1).

Senator V. Schmidt moved, with a second by Senator Kelly, to amend **Senate Substitute for SB 485** and delete Subsection 2 (regarding reference to the Consumer Price Index) on Page 14 and give authorization to the Revisor for technical wording. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Emler, to amend Senate Substitute for SB 485 with language provided by the Kansas Contractors Association on page two of the attached memorandum addressed to Chairman Umbarger that the new design build standards do not pertain to highways, roads, bridges, cams, turnpikes, or related structures or stand alone parking lots (Attachment 2). Motion carried on a voice vote.

Senator McGinn moved, with a second by Senator Steineger, to recommend **Senate Substitute for SB 485** favorable for passage.

Senator Taddiken moved, with a second by Senator Steineger, a substitute motion to amend Senate Substitute for SB 485 to adopt the balloon amendment to SB 642 (Attachment 3) and add school districts to Senate Substitute for SB 485. Motion failed on a voice vote.

A vote was taken on the original motion to move **Senate Substitute for SB 485** out of committee and it carried on a roll call vote.

#### **CONTINUATION SHEET**

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 17, 2008, in Room 123-S of the Capitol.

Senator Schodorf suggested an interim study regarding adding public school districts to the bill just passed out of committee (Senate Substitute for SB 485). *The Committee concurred*.

#### SB 670--Establishing the joint committee on the 2010 comprehensive transportation plan

Bruce Kinzie, Senior Assistant Revisor provided an update on the bill.

Senator Taddiken moved, with a second by Senator Teichman, to amend **SB 670** to change the committee termination date to July 1, 2011. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Schodorf, to amend **SB** 670 that the committee cannot meet until November 15, 2008. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Emler, to amend **SB 670** to add language on page 2, line 17, and where appropriate in the bill, add the word "trucking". Motion carried on a voice vote.

Senator Morris moved, with a second by Senator Emler, to amend **SB 670** to give the Committee the authority to introduce legislation. Motion carried on a voice vote.

Senator Morris moved, with a second by Senator Emler, to amend **SB** 670 technical wording of 2008 and 2009 regarding individual committee appointments before and after the November 8, 2008, election. Motion carried on a voice vote.

Senator Morris moved, with a second by Senator Wysong, to recommend **SB** 670 favorable for passage as amended. Motion carried on a roll call vote.

#### SB 626--An act establishing the veterans enhanced service delivery program

Jill Wolters, Senior Assistant Revisor provided an update on the bill and explained a balloon amendment which was distributed concerning **SB** 626 (Attachment 4).

Senator Steineger moved, with a second by Senator Taddiken, to amend **SB 626** and eliminate Sections 3 and 4, keep Section 5, and add wording to report to the House Committee on Appropriations and the Senate Committee on Ways and Means. Motion failed on a voice vote.

Senator Taddiken moved, with a second by Senator Emler, to adopt the balloon amendment on SB 626. Motion carried on a voice vote.

## SB 533--Veterans assistance; appropriations therefor; income tax credit; property tax abatement; leave for employees; tuition rates

Jill Wolters, Senior Assistant Revisor, explained the bill. She noted that Senator Umbarger and Senator McGinn worked on <u>SB 533.</u>

Senator Emler moved, with a second by Senator Kelly, to amend the provisions discussed by the Revisor and requested by Senator Umbarger and Senator McGinn in SB 533 into SB 626, including the local property tax information, Section 12. Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

#### SB 679--Division of vehicles modernization surcharge

#### CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 17, 2008, in Room 123-S of the Capitol.

Bruce Kinzie, Senior Assistant Revisor of Statutes, gave a briefing on the bill (Attachment 5).

The Chairman welcomed Joan Wagnon, Secretary, Kansas Department of Revenue, who testified as a proponent on <u>SB 679</u> (<u>Attachment 6</u>). Secretary Wagnon explained that the modernization project includes integration of three separate systems into one vehicle system and the question is how to pay for the replacement of these systems. The bill would implement the Division of Vehicles moderinization surcharge.

Written testimony was submitted by:

Carmen Alldritt, Director of Vehicles, Kansas Department of Revenue (Attachment 7)

Ed Klumpp, Kansas Association of Chiefs of Police (Attachment 8)

Nancy Weeks, Haskell County Treasurer (Attachment 9)

Mark Schemm, Smith County Treasurer (Attachment 10)

Captain Mark Bruce, Kansas Highway Patrol (Attachment 11)

The Chairman closed the public hearing on SB 679.

Senator Teichman moved, with a second by Senator Wysong, to recommend **SB 679** favorable for passage. Motion carried on a roll call vote.

The meeting adjourned at 12:05 p.m. The next meeting was scheduled for March 18, 2008.

#### SENATE WAYS AND MEANS GUEST LIST

Date <u>March</u> 17, 2008

NAME	REPRESENTING
Tom PALACE	PINEA OF KS
Brandon Yerkey	Budget
JAY KRAMER	CARTER GROUP
Es KLUMPP	KS Assoc OF CONETS OF POLICE
KEN Stodaell	UFW
Daryl Bencken	UFW
Terry Heidner	KDOT
Jim Conaut	KDOR
CARMEN ALLDRUTT	KDOR
Tim Blevins	KDOR
MARIL BORANYOL	CAPITOR STRATESICS
Juni Kon	KCSL
KEVIN GREGG	KMCA
Wheling throat	KAPA
Wayrnes	KRMCA
Lason Barland	Pinegar Smith + ASSEC
Nate Michel	Hein Law Firm
Je Makers	Johnson County
Cora Petersan	AGCOLKS
Enc Stafford	11Gic of KS
Chanell Johnson	*McGinn* - guest
Mattie Murphy	McGinn! = quest
Lynette Muphy	mcGinn-goes

#### SENATE WAYS AND MEANS GUEST LIST

Date 3/17/08

NAME	REPRESENTING
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#### Substitute for SENATE BILL NO. 485

#### By Committee on Ways and Means

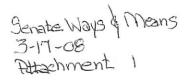
AN ACT concerning counties; enacting the county alternative project delivery building construction procurement act; amending K.S.A. 19-214 and repealing the existing section.

#### Be it enacted by the Legislature of the State of Kansas:

New Section 1. This act shall be known and may be cited as the county alternative project delivery building construction procurement act.

New Sec. 2. (a) "Alternative project delivery" means an integrated comprehensive building design and construction process, including all procedures, actions, sequences of events, contractual relations, obligations, interrelations and various forms of agreement all aimed at the successful completion of the design and construction of buildings and other structures whereby a construction manager or general contractor or building design-build team is selected based on a qualifications and best value approach.

- (b) "Ancillary technical services" include, but shall not be limited to, geology services and other soil or subsurface investigation and testing services, surveying, adjusting and balancing air conditioning, ventilating, heating and other mechanical building systems and testing and consultant services that are determined by the agency to be required for the project.
- (c) "Architectural services" means those services described by subsection (e) of K.S.A. 74-7003, and amendments thereto.
- (d) "Best value selection" means a selection based upon objective criteria related to price, features, functions, life-cycle costs and other factors.
- (e) "Board" means the board of county commissioners or its designees.
- (f) "Building construction" means furnishing labor, equipment, material or supplies used or consumed for the design, construction, alteration, renovation, repair or maintenance of a building or structure. Building construction does not include highways, roads, bridges, dams, turnpikes or related structures,



or stand-alone parking lots.

- (g) "Building design-build" means a project for which the design and construction services are furnished under one contract.
- (h) "Building design-build contract" means a contract between the county and a design-builder to furnish the architecture or engineering and related design services required for a given public facilities construction project and to furnish the labor, materials and other construction services for such public project.
- (i) "Construction services" means the process of planning, acquiring, building, equipping, altering, repairing, improving, or demolishing any structure or appurtenance thereto, including facilities, utilities or other improvements to any real property, excluding highways, roads, bridges, dams or related structures, or stand-alone parking lots.
- (j) "Construction management at-risk services" means the services provided by a firm which has entered into a contract with the county to be the construction manager or general contractor for the value and schedule of the contract for a project, which is to hold the trade contracts and execute the work for a project in a manner similar to a general contractor, and which is required to solicit competitive bids for the trade packages developed for the project and to enter into the trade contracts for a project with the lowest responsible bidder therefor. Construction management at-risk services may include, but are not limited to, scheduling, value analysis, system analysis, constructability reviews, progress document reviews, subcontractor involvement and prequalification, subcontractor bonding policy, budgeting and price guarantees and construction coordination.
- (k) "Construction management at-risk contract" means the contract whereby the county acquires from a construction manager or general contractor a series of preconstruction services and an at-risk financial obligation to carry out construction under a

specified cost agreement.

- (1) "Construction manager or general contractor" means any individual, partnership, joint venture, corporation or other legal entity who is a member of the integrated project team with the county, design professional and other consultants that may be required for the project, who utilizes skill and knowledge of general contracting to perform preconstruction services and competitively procures and contracts with specialty contractors assuming the responsibility and the risk for construction delivery within a specified cost and schedule terms including a guaranteed maximum price.
- (m) "Design-builder" means any individual, partnership, joint venture, corporation or other legal entity that furnishes the architectural or engineering services and construction services, whether by itself or through subcontracts.
- (n) "Design criteria consultant" means a person, corporation, partnership or other legal entity duly registered and authorized to practice architecture or professional engineering in this state pursuant to K.S.A. 74-7003, and amendments thereto, and who is employed by contract to the county to provide professional design and administrative services in connection with the preparation of the design criteria package.
- (o) "Design criteria package" means performance-oriented specifications for the public construction project sufficient to permit a design-builder to prepare a response to the county's request for proposals for a building design-build project.
- (p) "Engineering services" means those services described by subsection (i) of K.S.A. 74-7003, and amendments thereto.
- (q) "Guaranteed maximum price" means the cost of the work as defined in the contract.
- (r) "Parking lot" means a designated area or parking structure for parking motor vehicles. A parking lot included as part of a building construction project shall be subject to the provisions of this act. A parking lot designed and constructed as a stand-alone project shall not be subject to the provisions of

this act.

- (s) "Preconstruction services" means a series of services that can include, but are not necessarily limited to: Design review, scheduling, cost control, value engineering, constructability evaluation and preparation and coordination of bid packages.
- (t) "Project services" means architectural, engineering services, land surveying, construction management at-risk services, ancillary technical services or other construction-related services determined by the county to be required by the project.
- (u) "Public construction project" means the process of designing, constructing, reconstructing, altering or renovating a public building or other structure. Public construction project does not include the process of designing, constructing, altering or repairing a public highway, road, bridge, dam, turnpike or related structure.
- (v) "Stipend" means an amount paid to the unsuccessful and responsive proposers to defray the cost of submission of phase II of the building design-build proposal.

New Sec. 3. (a) Notwithstanding any other provision of the law to the contrary, the board of county commissioners is hereby authorized to institute an alternative project delivery program whereby construction management at-risk or building design-build procurement processes may be utilized on public projects pursuant this act. This authorization for construction management at-risk and building design-build procurement shall be for the and exclusive use of planning, acquiring, designing, sole improving repairing, building, altering, equipping, demolishing any structure or appurtenance thereto, including facilities, utilities or other improvements to any real property, but shall not include highways, roads, bridges, dams or related structures or stand-alone parking lots.

(b) The board may only approve those projects or programs for which the use of alternative project delivery procurement

process is appropriate. In making such determination, the board may consider the following factors:

- (1) The likelihood that the alternative project delivery method of procurement selected will serve the public interest by providing substantial savings of time or money over the traditional design-bid-build delivery process.
- (2) The ability to overlap design and construction phases is required to meet the needs of the end user.
- (3) The use of an accelerated schedule is required to make repairs resulting from an emergency situation.
- (4) The project presents significant phasing or technical complexities, or both, requiring the use of an integrated team of designers and constructors to solve project challenges during the design or preconstruction phase.
- (5) The use of an alternative project delivery method will not encourage favoritism in awarding the public contract or substantially diminish competition for the public contract.
- (c) When a request is made for alternative delivery procurement by the county, the county shall publish a notice in the official county newspaper that the board will be holding a public meeting with the opportunity for comment on such request. Notice shall be published at least 15 days prior to the hearing.
- (d) If the board finds that the project does not qualify for the alternative project delivery methods included under this act, then the construction services for such project shall be obtained pursuant to statute or to the procedures permitted by law.
- New Sec. 4. Construction management at-risk project delivery procedures shall be conducted as follows:
- (a) The board shall determine the scope and level of detail required to permit qualified construction manager or general contractors to submit construction management at-risk proposals in accordance with the request for proposals given the nature of the project.
- (b) Prior to completion of the construction documents, or as early as the initiation of the project, the construction manager

or general contractor shall be selected. The project design professional may be employed or retained by the board to assist in the selection process.

- (c) The county shall publish a notice of the request for qualifications and proposals for the required project services at least 15 days prior to the commencement of such requests in the official county newspaper and in such other appropriate manner as may be determined by the county.
- (d) The board shall solicit proposals in a three stage qualifications based selection process. Phase I shall be the solicitation of qualifications and prequalifying a short list of construction managers or general contractors to advance to phase II. Phase II shall be the solicitation of a request for proposal for the project, and phase III shall include an interview with each proposer to present their qualifications and answer questions.
- (1) Phase I shall require all proposers to submit a statement of qualifications which shall include, but not be limited to:
  - (A) Similar project experience;
  - (B) experience in this type of project delivery system;
- (C) references from design professionals and owners from previous projects;
- (D) description of the construction manager or general contractor's project management approach;
  - (E) financial statements; and
- (F) bonding capacity. Firms submitting a statement of qualifications shall be capable of providing a public works bond in accordance with K.S.A. 60-1111, and amendments thereto, and shall present evidence of such bonding capacity to the board with their statement of qualifications. If a firm fails to present such evidence, such firm shall be deemed unqualified for selection under this subsection.
- (2) The board shall evaluate the qualifications of all proposers in accordance with the instructions of the request for

qualifications. The board shall prepare a short list containing a minimum of three and maximum of five qualified firms, which have the best and most relevant qualifications to perform the services required of the project, to participate in phase II of the selection process. If the board receives qualifications from less than four proposers, all proposers shall be invited to participate in phase II of the selection process. The board shall have discretion to disqualify any proposer that, in the board's opinion, lacks the minimal qualifications required to perform the work.

- (3) Phase II of the process shall be conducted as follows:
- (A) Prequalified firms selected in phase I shall be given a request for proposal. The request for proposal shall require all proposers to submit a more in depth response including, but not be limited to:
  - (i) Company overview;
- (ii) experience or references, or both, relative to the project under question;
  - (iii) resumes of proposed project personnel;
  - (iv) overview of preconstruction services;
  - (v) overview of construction planning;
  - (vi) proposed safety plan;
- (vii) fees, including fees for preconstruction services, fees for general conditions, fees for overhead and profit and fees for self-performed work, if any.
  - (4) Phase III shall be conducted as follows:
- (A) Once all proposals have been submitted, the board shall interview all of the proposers. Interview presentation scores shall not account for more than 50% of the total possible score.
- (B) The board shall select the firm providing the best value based on the proposal criteria and weighting factors utilized to emphasize important elements of each project. All scoring criteria and weighting factors shall be identified by the board in the request for proposal instructions to proposers. The board shall proceed to negotiate with and attempt to enter into

contract with the firm receiving the best total score to serve as the construction manager or general contractor for the project.

- (C) If the board determines, that it is not in the best interest of the county to proceed with the project pursuant to the proposals offered, the board shall reject all proposals. If all proposals are rejected, the board may solicit new proposals using different design criteria, budget constraints or qualifications.
- (D) The contract to perform construction management at-risk services will typically be awarded in phases; preconstruction followed by one or more amendments for construction. The contract form will be a cost plus guaranteed maximum price contract. All savings under the guaranteed maximum price may return to the county as defined in the request for proposal.
- (E) The board or construction manager at-risk, board's discretion, shall publish a construction services bid notice as may be determined by the county. Each construction services bid notice shall include the request for bids and other bidding information prepared by the construction manager general contractor and the county. The county may allow the construction manager or general contractor to self-perform construction services provided the construction manager or general contractor submits a bid proposal under the conditions as all other competing firms. At the time for opening the bids, the construction manager or general contractor evaluate the bids and shall determine the lowest responsible bidder except in the case of self-performed work for which the shall determine the lowest responsible bidder. construction manager or general contractor shall enter contract with each firm performing the construction services for the project. All bids will be available for public view.

New Sec. 5. Building design-build project delivery procedures shall be conducted as follows:

(a) The board shall determine the scope and level of detail required to permit qualified persons to submit building

design-build qualifications and proposals in accordance with the county requirements given the nature of the project.

- (b) The board shall solicit proposals in a three-stage process. Phase I shall be the solicitation of qualifications of the building design-build team. Phase II shall be the solicitation of a technical proposal including conceptual design for the project. Phase III shall be the proposal of the construction cost.
- (1) The board shall review the submittals of the proposers and assign points to each proposal as prescribed in the instructions of the request for proposal.
- (2) Notice of requests for qualifications shall be advertised and published in the official county newspaper. Notification to include a description of the project and the procedures for submittal.
- (3) The board shall establish in the request for qualifications a time, place and other specific instructions for the receipt of qualifications. Qualifications not submitted in strict accordance with such instructions shall be subject to rejection.
- (4) A request for qualifications shall be prepared for each building design-build contract containing at minimum the procedures to be followed for each of the three phases in the process for submitting proposals, the criteria for evaluation of proposals and their relative weight and the procedures for making awards.
- (c) Phase I shall require all proposers to submit a statement of qualifications which shall include, but not be limited to, the following:
- (1) Demonstrated ability to perform projects comparable in design, scope and complexity.
- (2) References of owners for whom building design-build projects have been performed.
- (3) Qualifications of personnel who will manage the design and construction aspects of the project.

- (4) The names and qualifications of the primary design consultants and contractors with whom the building design-builder proposes to subcontract. The building design-builder may not replace an identified subcontractor or subconsultant without the written approval of the board.
- (5) Firms submitting a statement of qualifications shall be capable of providing a public works bond in accordance with K.S.A. 60-1111, and amendments thereto, and shall present evidence of such bonding capability to the board with their statement of qualifications. If a firm fails to present such evidence, such firm shall be deemed unqualified for selection under this subsection.
- (d) The board shall evaluate the qualifications of all proposers in accordance with the instructions prescribed in the request for qualifications. A short list of qualified proposers selected by the evaluation team may proceed to phase II of the selection process. Proposers lacking the necessary qualifications to perform the work shall be disqualified and shall not proceed to phase II of the process. Under no circumstances shall price or fees be considered as a part of the prequalification criteria. Points assigned in the phase I evaluation process shall not carry forward to phase II of the process. All qualified proposers shall be ranked on points given in phases II and III only. The two-phase evaluation and scoring process shall be combined to determine the greatest value to the county.
- (e) The board shall prepare a short list containing a minimum of three, but no more than the top five qualified proposers to participate in phase II of the process. If less than four proposers respond, all proposers shall be invited to participate in phase II of the selection process.
  - (f) Phase II of the process shall be conducted as follows:
- (1) The remaining project requirements will be provided to the short listed proposer to include the following:
- (A) The terms and conditions for the building design-build contract.

- (B) The design criteria package.
- (C) A description of the drawings, specifications or other information to be submitted with the proposal, with guidance as to the form and level of completeness of the drawings, specifications or other information that will be acceptable.
- (D) A schedule for planned commencement and completion of the building design-build contract.
- (E) Budget limits for the building design-build contract, if any.
- (F) Requirements, including any available ratings for performance bonds, payment bonds and insurance.
- (G) Any other information that the county at its discretion chooses to supply, including without limitation, surveys, soil reports, drawings of existing structures, environmental studies, photographs or references to public records.
- (2) Proposers shall submit their design for the project to the level of detail required in the request for proposal. The design proposal should demonstrate compliance with the requirements set out in the request for proposal.
- (3) The technical submittals shall be evaluated and assigned points in accordance with the requirements of the request for proposal.
  - (g) Phase III shall be conducted as follows:
- (1) The phase III proposal shall provide a firm fixed cost of design and construction. The proposal shall be accompanied by bid security and any other submittals as required by the request for proposal.
- (2) The proposed contract time, in calendar days, for completing a project as designed by a proposer may be considered as an element of evaluation in phase III. In the event the request for proposal shall establish the assignment of value of contract time in the selection process.
- (3) Phase III proposals shall be submitted in accordance with the instructions of the request for proposal. Failure to submit a cost proposal on time shall be cause to reject the

proposal.

- (h) Proposals for phase II and III shall be submitted concurrently at the time and place specified in the request for proposal. The phase III cost proposals shall be opened only after the phase II technical proposals have been evaluated and assigned points.
- (i) Phase III cost and schedule, which shall prescribe the number of calendar days, proposals shall be opened and read aloud at the time and place specified in the request for proposal. At the same time and place, the evaluation team shall make public its scoring of phase II. Phase III shall be evaluated in accordance with the requirements of the request for proposal. In evaluating the proposals and determining the successful proposer, each proposers' score shall be determined in a quantifiable and objective manner described in the request for proposal in combination of the points earned in both phase II and phase III.
- The successful responsive proposer shall be awarded the contract. If the board determines, that it is not in the best interest of the county to proceed with the project pursuant to the proposal offered by the successful proposer the board all proposals. If the determination to reject reject proposals is made for the convenience of the board, the successful and responsive proposer shall receive twice the stipend pursuant to subsection (g)(8) of this section amendments thereto, of this act, and all other responsive proposers shall receive an amount equal to such stipend. If the determination is made to reject all proposals as a result proposals exceeding the budget published in the request for otherwise not complying with the request proposals or proposal, the board need not remit a stipend to the proposers.
- (k) If all proposals are rejected, the board may solicit new proposals using different design criteria, budget constraints or qualifications.
- (1) As an inducement to qualified proposers, the board shall pay a stipend, the amount of which shall be established in the

request for proposal, to each prequalified building design-builder whose proposal is responsive but not accepted. Upon payment of the stipend to any unsuccessful building design-build proposer, the county shall acquire a nonexclusive right to use the design submitted by the proposer, and the proposer shall have no further liability for its use by the county in any manner. If the building design-build proposer desires to retain all rights and interest in the design proposed, the proposer shall forfeit the stipend.

New Sec. 6. Every proposal received from each phase of procurement, including total scores and total rankings shall, after award or letting of the contract, be subject to public inspection upon request.

Sec. 7. K.S.A. 19-214 is hereby amended to read as follows: 19-214. (a) Except as provided in subsection (b) and, in K.S.A. 19-216a, and in sections 1 through 6, and amendments thereto, all contracts for the expenditure of county moneys for the construction of any courthouse, jail or other county building, or the construction of any bridge in excess of \$10,000, shall be awarded, on a public letting, to the lowest and best bid. The person, firm or corporation to whom the contract may be awarded shall give and file with the board of county commissioners a good and sufficient surety bond by a surety company authorized to do business in the state of Kansas, to be approved by the county attorney or county counselor, in the amount of the contract, and conditioned for the faithful performance of the contract.

- (b) The provisions of subsection (a) shall not apply: (1) To the expenditure of county funds for professional services; (2) to the provisions of K.S.A. 68-521, and amendments thereto; or (3) to the purchase of contracts of insurance.
- (c) The minimum amount of county moneys for which contracts shall be awarded as required in subsection (a) shall be determined as follows:
- (1) For the fiscal year ending on December 31, 2008, the minimum amount shall be \$25,000.

- (2) For each subsequent fiscal year after 2008, the amount shall be determined by the county commission on or before January 1 of such fiscal year and shall be equal to the minimum amount for the preceding fiscal year plus an additional amount determined by the county commission to be proportionally equal to the increase, if any, by which the consumer price index for all urban consumers published by the United States department of labor for the preceding calendar year, exceeds that index for the second preceding calendar year.
  - Sec. 8. K.S.A. 19-214 is hereby repealed.
- Sec. 9. This act shall take effect and be in force from and after its publication in the statute book.

#### Melinda Gaul - SB 642, SB 594, SB 485

From:

"Bob Totten" < Kcal @ink.org>

To:

"Dwayne Umbarger" <umbarger@senate.state.ks.us>

Date:

3/15/2008 2:00 PM

**Subject:** SB 642, SB 594, SB 485

#### THE KANSAS CONTRACTORS ASSOCIATION, INC.

316 SW 33FID ST • PO BOX 5061 TOPEKA KS 66605-0061



TEL (785) 266-4152 FAX (785) 266-6191 kca@ank.org www.accesskansas.org/kca

March 15, 2008

Senator Dwayne Umbarger State Senate Topeka, Kansas 66612

Re: SB 642, SB 594, SB 485

Dear Senator Umbarger:

I understand you are planning to work the substitute bill for SB485 Monday, March 17 in the Senate Ways and Means committee. I have not seen the new version of the bill but I assume it will include the language agreed to a week ago Thursday regarding the bid threshhold for counties. Since I last visited with you on this subject, our organization has instructed me to make known our concerns in regards to SB 594 which was incorporated into the orginal bill. SB 594 is a measure which amends Kansas Statute 19-214 which is a statute that requires the lowest and best bid to be used when a county is considering a contract for the construction of any courthouse, jail or other county building, or any bridge in excess of \$10,000. Our organization is involved since this statute addresses bridges.

The Kansas Contractors Association concurs the bid threshhold should be raised to \$25,000. The cost of materials, such as asphalt and concrete specifically have gone up about one and a half times since 1990 so the price increase is justified. Now we dispute the index being used which is part of the balloon approved a week ago which ties the threshhold every year to the Consumer Price Index.

The consumer price index is tied to the use of consumer goods and let's face it, not many of us are going out and buying oil, concrete and asphalt on a regular basis..so I hardly would classify those as consumer goods. In addition in 1995, the U. S. Senate Finance committee

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appointed a commission to study CPI's ability to estimate inflation. The CPI commission found in their study that the index overestimates the cost of living by a value between 0.8 to 1.6 percentage points.

Because the CPI is so widely used as an inflation adjustment, the fact that it is overestimated, even by such a small percentage, has several consequences.....but the main one being that the numbers grow exponentially at a rate that is actually not factual. We believe the legislature should retain its authority over the threshold level and ask that the number not be tied to a source outside state government.

In addition, since this bill being presented specifically says the new design build standards do not pertain to highways, roads, bridges, dams, turnpikes, or related structures or stand alone parking lots, we are asking that an amendment be made that amends 19-214 to the following:

All contracts for the expenditure of county moneys for the construction of any courthouse, jail or other county building, or the construction of any **highway**, **road**, bridge, **dam**, **turnpike or related structures or stand alone parking lot** in excess of \$25,000 shall be awarded on a public letting to the lowest and best bid.

Our industry believes all of these items let by the county should be let through the competitive bid process to ensure transparency. This addition would allow everyone in the transportation industry an equal opportunity to bid on any work the county may have. In addition, it would be to the lowest and best bid which would help insure that no one is left out. These are minor changes compared to the massive ones involved in the building construction arena and we seek your support on these measures.

I know you may have other concerns on this bill and I can not address those issues. I do appreciate your consideration of these concerns and will be open to your questions at the appropriate time.

Sincerely yours,

Bob Totten
Kansas Contractors Association
316 SW 33rd
Topeka, Kansas 66611
Phone 785 266 4152
Fax 785 266 6191
kca1@ink.org
http://www.kansascontractors.org/



The 1999 \$13.4 Billion Kansas Comprehensive Transportation Program would cost over \$20 billion dollars if implemented today.

SB 642

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(y) "Stipend" means an amount paid to the unsuccessful proposers to defray the cost of submission of phase II of the design-build proposal. Sec. 3. (a) Notwithstanding any other provision of the law to the contrary, the board is hereby authorized to institute an alternative project delivery program whereby construction management at-risk or design-build procurement processes may be utilized on public projects pursuant to this act. This authorization for construction management at-risk and design-build procurement shall be for the sole and exclusive use of planning, acquiring, designing, building, equipping, altering, repairing, improving or demolishing any structure or appurtenance thereto, including facilities, utilities or other improvements to any real property, but shall not include stand-alone parking lots.

Insert: ...projects "or programs" for which ...

Insert: ...unsuccessful "and responsive" proposers...

Delete: "shall" and replace "<u>mav</u> only"

(b) The board shall approve those projects for which the use of the alternative project delivery procurement process is appropriate. In making such determination, the board shall consider the following factors:

- (1) The likelihood that the alternative project delivery method of procurement selected will serve the public interest by providing substantial savings of time or money over the traditional design-bid-build delivery process.
- (2) The ability to overlap design and construction phases is required to meet the needs of the end user.
- (3) The use of an accelerated schedule is required to make repairs resulting from an emergency situation.
- (4) The project presents significant phasing or technical complexities, or both, requiring the use of an integrated team of designers and constructors to solve project challenges during the design or preconstruction phase.
- (5) The use of an alternative project delivery method will not encourage favoritism in awarding the public contract or substantially diminish competition for the public contract.
- (c) When a board intends to utilize an alternative project delivery method, the board shall allow public comment on this intention at a school board meeting. Notice of this intention shall be clearly stated on the board agenda and in the official newspaper of the school district. Public comment on this intention at a board meeting shall occur before the selection process set forth in this statute may commence.
- (d) Notwithstanding the provisions of K.S.A. 72-6760, and amendments thereto, if the board deems that the project does not qualify for the alternative project delivery methods included under this act, then the construction services for such project shall be obtained pursuant to competitive bids and all contracts for construction services shall be awarded to the lowest responsible bidder consistent with the provisions of K.S.A

72-6760, and amendments thereto.

Session of 2008

#### **SENATE BILL No. 626**

By Committee on Ways and Means

#### 2-14

AN ACT concerning the Kansas commission on veterans affairs; establishing the veterans enhanced service delivery program within the veterans claims assistance program; prescribing guidelines and limitations; powers, duties and functions for veteran services; providing for annual reporting to and study and review by the legislative budget committee; amending K.S.A. 2007 Supp. 73-1236 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) The Kansas commission on veterans affairs shall establish and administer the veterans enhanced service delivery program within the veterans claims assistance program in accordance with this section to ensure delivery of services to all veterans, their dependents and survivors and, where necessary, to bring those services to veterans. The veterans enhanced service delivery program shall incorporate a reorganized veteran services program, and mobile offices, to reach and support all veterans, their dependents and survivors. By combining mobile offices and wireless technology, the veterans enhanced service delivery program shall ensure all veterans have access to service. The director of the veterans claims assistance program shall appoint subordinate officers and employees, subject to the approval of the executive director of the Kansas commission on veterans affairs.

- (b) The veterans claims assistance advisory board shall advise the Kansas commission on veterans affairs and the director of the veterans claims assistance program who shall implement and administer the veterans enhanced service delivery program.
- (c) The Kansas commission on veterans affairs shall adopt rules and regulations to implement and administer the veterans enhanced service delivery program. The rules and regulations shall include: (1) Duties and responsibilities of the veterans claims assistance advisory board to oversee the operation and reorganization of veteran services within the veterans claims assistance program and the introduction of the mobile office concept; (2) the development of criteria for the location, maintenance and staffing of mobile offices and veteran service offices; (3) the development of criteria for joint outreach programs between veteran service organi-

Balloon Amendment SB 626

Senate Ways & Means 3-17-08

zations, state and federal agencies providing services to veterans and the Kansas commission on veterans affairs; (4) targeted outreach programs to reach minority veterans, veterans in rural Kansas communities, homebound veterans, and those in nursing homes or those with limited mobility; and (5) the development of criteria for working with staff at the United States department of veterans affairs offices and clinics throughout Kansas, as well as state agencies, community organizations, business leaders and veteran service organizations to ensure the broadest reach of 9 the program.

(d) Reorganization of veteran services shall include the use of mobile claims offices, as necessary, and a strong rural outreach program in order to streamline and modernize Kansas' delivery services and benefits to veterans, their dependents and survivors, thereby allowing veterans in every community in Kansas to maximize their ability to file claims and receive all benefits to which they are entitled.

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Sec. 2. K.S.A. 2007 Supp. 73-1236 is hereby amended to read as follows: 73-1236. The legislative budget committee shall annually study and review the veterans claims assistance program, the veterans enhanced service delivery program and the service grants program of the Kansas commission on veterans affairs under this act. The Kansas commission on veterans affairs and each veterans service organization which is receiving service grants under this section shall prepare and present annual reports of activities and expenditures under the veterans claims assistance program and the service grants program.

Sec. 3. K.S.A. 2007 Supp. 73-1236 is hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

Sec. 3. The legislative post auditor shall conduct audits of the veterans enhanced service delivery program under this section in accordance with the provisions of the legislative post audit act. Each such audit shall focus on how much spending from the state general fund would be or has been reduced because of increased federal benefits paid to veterans resulting from the veterans enhanced service delivery program. Reports of such audits shall be submitted to the legislature at the beginning of the regular session of the legislature held during 2010 and 2012. The 2010 audit report shall examine and report on the savings from the time the veterans enhanced service delivery program was implemented through the end of fiscal year 2009. The 2012 report shall examine and report on savings attributable to the enhanced service delivery program for fiscal years 2010 and 2011.

Sec. 4. On or before January 12, 2009, the legislative post auditor shall conduct an audit to determine whether it appears that significant amounts of money spent from the state general fund for services to veterans or family members of veterans could be replaced by federal benefits through the United States department of veterans affairs.

Sec. 5. The Kansas Commission on Veterans Affairs shall be required to keep detailed records of the results produced by the veterans enhanced service delivery program including, but not limited to, the names of all veterans or family members whose benefits were able to be shifted from state funded programs to federal benefits offered through the United States department of veterans affairs, as well as the amounts of benefits they were receiving from each state funded program at the time their benefits were shifted to the federal programs.

And by renumbering the remaining sections.

### **MEMORANDUM**

To:

Committee on Ways and Means

From:

Bruce Kinzie, Senior Assistant Revisor of Statutes

Date:

March 17, 2008

Subject:

Senate Bill No. 679

The bill provides for the charging of a \$4 nonrefundable division of vehicles modernization surcharge. This amount would be in addition to the regular registration fee.

The money raised would be used to replace the work processes, computer hardware and software and related equipment and the maintenance of the new system, used by the division of vehicles in titling and registering of vehicles and the issuance of drivers' licenses and other identification documents (Kansas nondriver identification card) and other administrative expenses.

The provisions would sunset January 1, 2013.

Senate Ways & Meons 3-17-08 Altachment 5



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#### Title and Registration Bureau

Title applications originate in the local county treasurer's office. The treasurer's office completes an end of day report to account for money collected and the day's transactions.

Each paper report must be checked manually to ensure the county treasurer is compensated correctly. Last week, we finished verifying the 3<sup>rd</sup> quarter of 2007.

The applications are mailed to the state for processing.

The Title and Registration Bureau receives 6,000,000 transactions per year or 23,076 per day. We issue 900,000 titles per year and process 2.9 million registration renewals.

The Title and Registration Bureau has 60 full time staff.

The bureau receives on average 1100 calls per day or 286,000 calls per year. The average phone call takes approximately 5 minutes to answer. There are 28 associates available to answer inquires from the general public, county treasurers and law enforcement.

In addition, we receive 440 paper notice of security interest filings that must be manually entered per day. We are working towards an increased use of the KS E-Lien system (electronic lien filing).

The paper applications are logged in and must be manually reviewed.

Currently, we are working on logging and reviewing title application received 6-8 weeks ago.

Approximately, 20% of all title applications have some type of problem (missing documentation, incorrect documentation, etc.) that requires manual intervention. Problem applications are filed manually and are often difficult to locate if misfiled or on another employees desk.

Microfilm is currently available for title transactions back to the 1930's. We anticipate a microfilm storage problem in the next 18-24 months contingent upon the number of vehicles bought and sold. If the VIPS system fails to assign a microfilm number the title paperwork is lost indefinitely.



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Kansas titles surrendered out of state are received and must be cancelled manually. Any title we mail out that is not delivered is returned and must be manually destroyed and coded as returned within the VIPS System.

Paper titles are printed in a batch process overnight, we average about 2200 titles a night. Once printed the titles must be manually inspected for print quality before being folded, stuffed into envelopes and mailed.

Titles that have a lien are held electronically and are only printed when the lien is released or when the citizen is moving out of state.

On average, we receive 300 - 400 paper lien releases that must be manually processed per day.

The title and registration front counter serves 250 walk-in customers per day and issues 1100 titles per day. Last year, our front counter issued over 203,000 titles.

Any license plate renewal or application that requires additional documentation is received on paper and must be reviewed manually before being microfilmed.

#### System Problems

- Our current systems are separate, old mainframe emulation systems. The VIPS system has been in operation for over 20 years, the Kansas Drivers License System (KDLS) over 17 years, and the Kansas Vehicle Inventory System (KVIS) for more than 14 years.
- The current vehicle systems (KDLS and VIPS) are separate databases with no ability or common identifier for communication. (An address change must be made in both systems.)
- The VIPS system requires manual paper intensive processes and we are drowning in paper.
- Motor vehicle information provided to law enforcement is not real time. The motor vehicle record can take 1 to 4 days to be updated.
- We currently struggle to provide motor vehicle services to the citizens of Kansas.
- Our employees and County Treasurers are forced to work with a broken system.
- We are unable to make changes in one area of the application without introducing unintended negative consequences in other areas of the application.
- System inadequacies occur every year and result in settlements that cost the department \$10,000 last year. In addition, we lose production and resource time working on system related issues.



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- Numerous times we get legislative requests for specific data and because of the limitations of the system we are not able to extract and provide the data without significant programming.
- We are constantly identifying ways to streamline and work within the constraints of our cumbersome system.
- Our current vehicle systems are old and do not provide for uncomplicated integration of electronic applications or communications without some level of manual intervention.
- We are unable to provide enhanced services to our business partners due to continual on-going maintenance of the current system.

#### Driver Control Bureau

Driver Control maintains driving records and processes changes to driving privileges such as restrictions, suspensions, revoked licenses and reinstated licenses. We also coordinate administrative hearings on chemical test failures and test refusals, and manage proof of insurance requirements for drivers.

The bureau receives about 1100 incoming phone calls per day or 286,000 per year, with each call averaging 3 minutes in length. Currently the bureau has 7 employees available daily to respond to customer calls. Due to the decrease in staff and in order to meet business needs we are only available to respond by phone Tuesday through Thursday. As a result, we were not able to answer over 18,000 telephone inquiries in 2007.

The bureau receives 2,300 paper documents (tickets, certified record requests, reinstatements, insurance documents, etc.) per day.

The bureau provides 4,000 "paper" certified driving records per month to courts, law enforcement, prosecutors and attorneys. This includes providing documents from each drivers file for enforcement of Kansas traffic laws.

The administrative hearing section schedules 700 hearings per month which are held throughout the state. This process includes issuing a paper notice of hearing to the licensee, witnesses and their attorney. We also issue subpoenas to law enforcement officers involved in the alcohol occurrence procedure.

The bureau receives 2,500 tickets for traffic violations that require manual data entry and processing.



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#### Drivers License Bureau

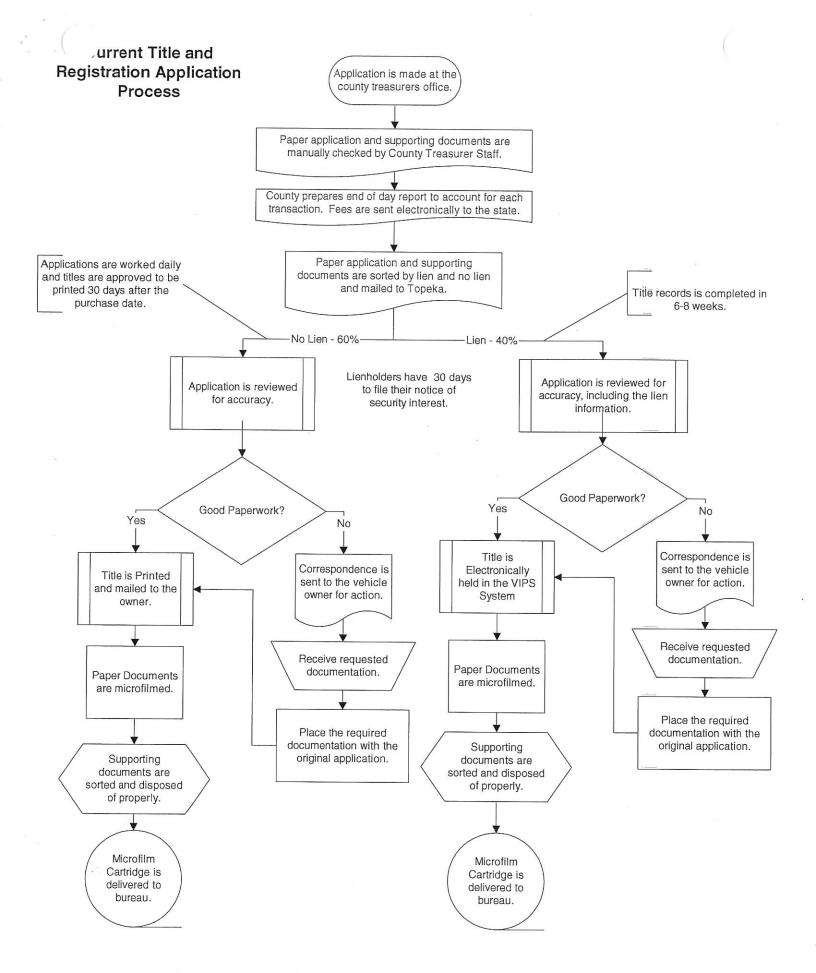
The Driver's License Bureau is responsible for the drivers license and identification card issuance process for the state of Kansas. Drivers License Examiners are stationed at 37 permanent locations and 77 county treasurer offices throughout the state. There are 2 million licensed drivers in the state of Kansas.

There are seven initiatives we will be pursuing in order to comply with the Federal Real ID Act.

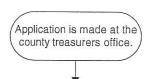
- 1. Photo First By 12/31/09 implement new procedures for capturing the photo of all applicants, even if the DL or ID will not be issued.
- 2. Document Verification with various data bases by 12/31/09.
  - Verify an applicants lawful presence status through the SAVE system.
  - Birth Certificates through EVVE.
  - US Passports through CLASS.
  - Other State issued DL's through DRIVERS
- 3. New Enhanced/Next Generation Driver License that deters fraud and prevents tampering by 5/11/2011.
- 4. Ability to retain (image) the documents presented by the applicant when applying for a drivers License by 12/31/09.
- 5. Ongoing review and update of our security plan. Annually after 12/31/09.
- 6. Ongoing training for our employees on fraud detection.
- 7. Background checks on all employees including county treasurers, drivers license examiners and others.

Customers

Data



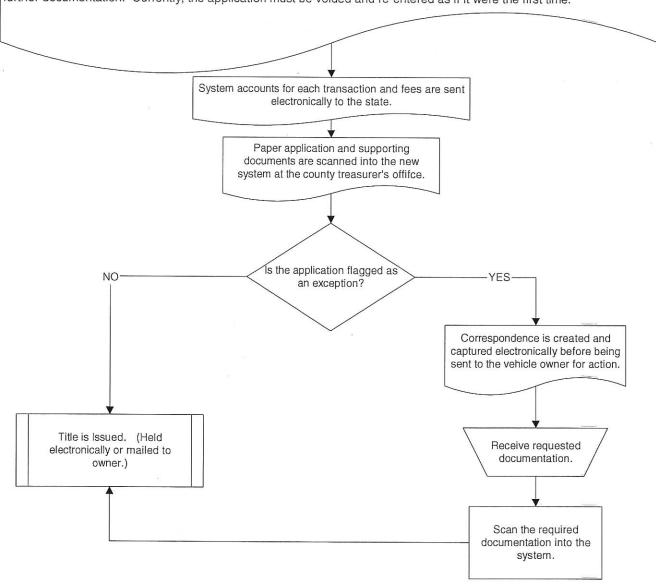
# uture Title and Registration Application Process



NEW SYSTEM WILL HAVE BUILT IN FORMS AND AUTOMATIC EDITS THAT WILL PREVENT INCORRECT TITLE AND REGISTRATION APPLICATIONS TO BE ACCEPTED

#### NO MORE PAPER

- 1. This is a point and click application, if forms are required a drop down menu appears and any forms/instructions specific to the application can be pre-populated and printed at the moment as the clerk continues the application process.
- 2. The point and click system will eliminate human data entry errors which will result in error free work being captured at the point of application, due to up front edits.
- 3. The point and click system will eliminate duplicate processes and decrease the time a customer waits in line.
- 4. The point and click system will allow transaction information to be entered once which prevents voiding and re-entry if an error is made.
- 5. The point and click system will have the ability to hold transaction information if the customer is required to provide further documentation. Currently, the application must be voided and re-entered as if it were the first time.





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#### TESTIMONY

TO:

Senator Dwayne Umbarger, Chairman

Senate Ways and Means Committee

FROM:

Carmen Alldritt, Director of Vehicles

DATE:

March 17, 2008

RE:

Senate Bill 679 - Project 2010 - Division of Vehicles Modernization Project

Mr. Chairman, members of the Committee, thank you for providing me with an opportunity to update you on the status of Project 2010 - Division of Vehicles Modernization Project.

The modernization project includes integration of three separate systems into one Vehicle system. Our current systems are separate, old mainframe emulation systems. The VIPS system has been in operation for over 20 years, the Kansas Drivers License System (KDLS) over 17 years, and the Kansas Vehicle Inventory System (KVIS) for more than 14 years.

The Division of Vehicles and County Treasurers utilize the VIPS system to process and maintain vehicle title and registration transactions. The KVIS system tracks the ordering of raw materials, plates, decals, 30-day permits and placards for the State of Kansas. The KDLS system holds licenses and identification documents for over 1.8 million drivers and maintains changes to driving privileges on the driving record. The Vehicle Systems are KDOR's most critical public safety systems and must be available for law enforcement inquiry 24 hours a day, 7 days a week, 365 days a year.

The current VIPS system continually fails to provide the level of service, or operation which is critical to the success of the Division. Download failures are a regular occurrence and when they occur, fees (mill levies, sales tax, title and service fees) are not automatically calculated and must be manually corrected in County Treasurer offices. Another example of the deficiencies within the system is the inability to make changes in one area of the application without introducing unintended consequences in other areas of the application. The current system requires manual paper intensive efforts to fix and correct all these failures that are drowning us in paper. System inadequacies occur every year and result in settlements that just this year cost the department \$10,000. County Treasurers are forced to work with a broken system and in the last couple of years they have become very vocal about the replacement of the system. Numerous times we get Legislative requests for specific data and because of the limitations of the system we are not able to extract and provide the data.

Based on the failing system, county treasurer and law enforcement demands, a Feasibility Study was completed in May of this year. The Feasibility Study documented our current business requirements and processes as well as the technical environment and existing stakeholders.

DIVISION OF VEHICLES DOCKING STATE OFFICE BUILDING, 915 SW HARRISON ST., TOPEKA, KS 66612-1588 Voice 785-296-3601 Fax 785-291-3755 http://www.ksrevenue.org/ Senate Ways & Mean S

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The recommendations within the feasibility study focus on an integrated, "customer centric" system that supports all licensing, titling, registration and inventory management for the Division of Vehicles.

The Feasibility Study recommends purchasing, as opposed to building it ourselves, a commercially available, services oriented software package to provide integrated, customer centric functions that support all of driver and vehicle business processes. There are multiple vendors in the market place with package solutions that run successfully in other states with similar business functions.

Additional planning is currently being completed that will enable us to better understand how the Division of Vehicles would be reorganized to support the new system. The objectives of the study will help define a more efficient process for providing all motor vehicle services to the citizens of Kansas and to identify areas of organizational improvement to support these processes.

The estimated cost to replace the system is approximately 40 million dollars which would be distributed over 5 fiscal years and determined by the legislature.

Replacing the old mainframe systems with one customer centric system has initial and recurring benefits that will be realized by KDOR, other state agencies, county treasurers and the public. The Division of Vehicles would then be able to provide integrated services in a complete package to all Kansans.



#### **OFFICERS**

Bob Sage President Rose Hill Police Dept.

Jay Reyes Vice President Derby Police Dept.

Todd Ackerman Sergeant at Arms Marysville Police Dept.

Mike Keller Treasurer Andover Police Dept.

Janet Thiessen Recording Secretary Olathe Police Dept.

James Hill SACOP Representative Salina Police Dept.

William "Mike" Watson Immediate Past President Riley County Police Dept.-Ret

Doyle King Executive Director KACP

#### REGIONAL REPRESENTATIVES

Gus Ramirez Region I Johnson Co Comm. College

Sam Budreau Region II Chanute Police Dept.

Ronnie Grice Region III KSU Public Safety Dept.

Jim Daily Region IV Newton Police Dept.

Frank Gent Region V Beloit Police Dept.

Vernon Ralston Region VI St. John Police Dept.

# TESTIMONY TO THE SENATE WAYS AND MEANS COMMITTEE

#### SUPPORTING THE VEHICLE MODERNIZATION PROJECT

Presented by Ed Klumpp

March 17, 2008

This testimony is in support of the Department of Revenue's Vehicle Modernization Project. This project is long overdue and addresses a critical need for law enforcement as well as other users of the system. As we understand it, this project will replace the antiquated Vehicle Information Processing System (VIPS), Kansas Vehicle Information System (KVIS), and the Kansas Driver's License System (KDLS). These are the systems handling all of the processes for vehicle titles, registration, and driver's licenses. These databases can be a most valuable tool in critical law enforcement investigations. Note that I said they can be, not that they are. Kansas is far behind most other states on the capability of using these databases as a law enforcement investigative tool, primarily because of the limitations of the current out-dated systems.

One of my duties with the Kansas Association of Chiefs of Police is representing them as a member of the Kansas Criminal Justice Information System (KCJIS) Committee. A position I have held for four years. In this position I have had the opportunity to understand the state's system capabilities and to see and discuss the systems in place in other states.

Let me give you a scenario of how things happen today. In a hypothetical case, a shooting, a robbery, a burglary, a child abduction, or perhaps a hit and run accident is reported to the police. The officer finds witnesses who provide a description of the car including the tag number. The witnesses are sure the car is a Toyota. But, as frequently happens, the witnesses are not sure of all the numbers on the tag. They are positive the third letter is "J" and the numbers are "376." They think the first letter is "H" but they aren't sure. It is Friday evening and the officer desperately wants to find this vehicle. Where do we go to attempt to get our first leads? In Kansas, we go no where. We can't because the current system will not allow us to search using the data we have. Nope, in Kansas we wait until Monday morning when the Department of Revenue opens and we call them to request a search

Senate Ways & Means 3-17-08 by partial tag number and make. Once we make the request they respond as quickly as the programmers can write a query and run it for us. If we are lucky we may have that information before the day is over. So our suspect has a three day head start. When we find them, the chances of finding all of the stolen property and other evidence of the crime is greatly diminished. Perhaps the suspect has by now committed even more crimes because we couldn't develop the leads we needed to intervene in the crime spree more quickly. And in reality, in all but the most horrendous of cases, law enforcement will probably not even make the request because of the time lapse and the effort required by DOR personnel to accomplish this.

That kind of scenario, mostly on less serious crimes than a kidnapping or homicide, happens across our state hundreds of times a week. This is far too many cases for DOR to search on each case. In most cases it is a lost opportunity, a dead end lead. Not because of anyone's fault, but simply because of an antiquated state vehicle and driver's license database with very limited law enforcement investigative capabilities.

It would be impossible for me to accurately predict how many criminal cases could be solved, or at least solved more quickly and efficiently, if these systems are updated. But I can assure you it would not be a small number. Nor would the number of crimes we could prevent through early development of suspect leads. Even if we can't make a prosecutable case, the law enforcement contact with the suspect often curtails further victimization, at lease for a little while. And law enforcement now knows who to watch for if similar crimes occur.

Some other pieces of law enforcement concern in the current system include a slow entry process of non-standard tags causing a delay between the sale of the license tag and the availability of that information in the system. In some cases, even the standard tags do not have complete information immediately. Temporary tags are close to their expiration date by the time they are available to us. Stolen renewal stickers are not uncommon, yet we can't run the control number on a sticker and find out who it was issued to. Vehicle colors are not included in the current system. And although color entry into the system is complex with today's variations in car colors, there are ways to standardize this into something meaningful and useful. In fact, NCIC has already done that for wanted or stolen car entry. We don't even have to reinvent the wheel to do that.

Here are some of the things a new system will hopefully provide to law enforcement:

- Search vehicle registration information by partial number using "wild cards."
- Search capability on multiple fields with all common identifier fields available to select from.
- Search a radius from a certain address for vehicles registered or licensed drivers in that area. This should include a multiple field capability so we can sort out car descriptions or a person's physical description.
- Search by title number.
- Search by previously used names or address or license numbers.
- Search by renewal sticker number.
- A cross reference between registered vehicles and the driver's license information of the registered owners.
- A cross reference to go from one vehicle the person owns to identify all vehicles with that person's name on the title.

- Search drivers license information by multiple fields.
- Ability to view prior addresses.
- Driver's license search capability using a range for weight, height, etc.
- A search capability by name that will select as possible "hits" regardless of name suffixes like Sr., Jr., III, etc. In other words, if you run John Adams you get back a list including John A. Adams, John B. Adams, John Adams, Jr.
- Ability to run a vehicle by VIN and get information on prior owners if not currently registered.
- Ability to search handicap placard by number or name.

Now assume the scenario I started out with, only this time we have a modern search system. The officer runs the partial tag number using the multiple field capability for the known make. In seconds the system responds and shows two possible matches. One is in the city the crime occurred. The other is in a different city quite some distance away. The officer requests another officer to respond to the local vehicle registered address. The officer also puts out a radio bulletin which can now include not only the make and partial tag number but also the model year, the body style and the color. By cross matching the vehicle to the driver's license information for the registered owner we get a physical description of the vehicle owner and it matches the description obtained from the witnesses. And although we can't show it to the victim or witnesses without preparing a photo lineup, the officers can see the driver's license photo on their in-car computer. They now know what the suspect looks like. The second officer arrives within minutes at the address shown on the registration. The car isn't found so she takes up a surveillance position. Five minutes later the car pulls into the drive. The officer approaches and two people bail out of the car and run. Having looked at the photo on her computer, the officer immediately knows which of the two to pursue and not only catches the bad guy, but also recovers all of the stolen property, still in possession of the criminal. The prosecution of the case is further strengthened because the suspect is found not only possessing the stolen property, but it is minutes after the crime, not days. The suspect is still wearing the same clothing and was caught in the car described by the witness.

Which scenario do Kansans want for their state? I'm pretty sure they want the last one.

We strongly urge the legislature to support the funding mechanism necessary to accomplish this project. The results will not only increase efficiency but also provide a safer Kansas.

Ed Klumpp

Chief of Police-Retired
Topeka Police Department

Cof Kry

Legislative Committee Chair Kansas Association of Chiefs of Police

E-mail: eklumpp@cox.net Phone: (785) 235-5619 Cell: (785) 640-1102

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# Nancy Weeks Haskell County Treasurer P O Box 577 Sublette, Ks 67877 620.675.2265 hkcotrea@pld.com

To: Chairman Dwayne Umbarger and Members of the Senate Way and Means Committee.

I am Nancy Weeks, Haskell County Treasurer and Kansas County Treasurer Legislative Chair. I have worked for Haskell County since 1972 and was elected Treasurer and went into office in 1975. I have been Treasurer ever since. I have been there where we typed everything to now where it is done on computer.

I was in office when the first Vehicle Information Processing System (VIPS) went into place. That was in 1987. Thirty years we have operated under a system that has been changed, updated and added to. It is barely holding together and we never know what part will work and which part will not. When something is downloaded to us for whatever reason another part of the program will not work. This is very frustrating to our employee's when the program doesn't work and they have a customer in front of them waiting to get the work they need taken care of.

With a new VIPS System we would have real time updating of a customer's files. It would give us real time insurance information. This will also give Law Enforcement updated to the minute information on traffic stops, investigations or whatever record they are trying to get the latest information on.

KCTA realizes that we are in desperate need of a new VIPS system. We have voted to support whatever funding this body deems appropriate. We would appreciate your support in helping the State of Kansas and our citizens to have the best Motor Vehicle System available. Please consider this important request for a VIPS Modernization Fund so a new VIPS System could be put in place.

Thank you for your time and attention to this very important funding request. I appreciate being able to provide written testimony.

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#### TESTIMONY PRESENTED BY MARK E. SCHEMM SMITH COUNTY TREASURER, SUPPORTING SENATE BILL 679 BY THE SENATE WAYS AND MEANS COMMITTEE MARCH 17, 2008

Chairman Umbarger and members of this committee, my name is Mark Schemm, Smith County Treasurer and member of the Kansas County Treasurers' Association Legislative Committee. I sincerely appreciate the opportunity you've given me to testify on behalf of Kansas Department of Revenue's Division of Vehicles Modernization Fund.

I would like to take a moment of your time to explain my qualifications for supporting SB 679. I have 25 years of law enforcement experience eighteen of those years as a trooper for the Kansas Highway Patrol. As I said earlier I am now Smith County Treasurer. When I was working the road part of my duties were to enforce Kansas registration laws. Now it is my responsibility to make sure that when a member of the motoring public comes into my office that their vehicle is registered properly so that they can travel our roads and highways freely, and that the information about their vehicle is as accurate as possible for our law enforcement community.

The VEHICLE INFORMATION PROCESSING SYSTEM, better known as the VIPS system has not realized a substantial enhancement or replacement of software since its implementation in 1987. The rewrite of the CAMA software has taken years of funding from the VIPS enhancements which ultimately has had a negative impact on services provided to the end user of the system.

The problem is that our current system that handles every county across Kansas registering millions vehicles annually, collecting millions of dollars for the department of revenue in the form of fees, property taxes and sales taxes is failing every day across Kansas contributing to long lines of upset customers. When part of the system fails and a band-aid is applied other parts of the system fail or just quit working causing customers to come back when the system is repaired again. Many times repairs to the system have taken days to repair only to find that another part of the system has just went down. The infrastructure of the VIPS system just has too many miles on it and needs to be traded in on a bright shiny new one.

Previously I mentioned my law enforcement experience, go with me now and take a ride in my patrol car. Its 2 a.m. and we are attempting to stop a vehicle for a minor violation. We have just been informed that the registration system has failed and we are unable to get information on the vehicle prior to stopping it. That's when you get a chill down your back.

Senate Ways & Means 3-17-08 Attachment 10 Vehicle information under our present system for new title applications is not available to law enforcement for several days and not until the information is taken out of the "work in progress" field. Our law enforcement community needs a vehicle information system that is "real time" and can be counted on every hour of every day.

Many County Treasurers have been called after hours and on weekends because an officer needed vehicle information and we had to resort to the "hard copy" in the office to get them the necessary information.

In conclusion, Kansas County Treasurers have had a partnership with the State of Kansas when dealing with Motor Vehicle Services that has endured for many years. This partnership in the last decade has expanded to include drivers' license services by 74 County Treasurers, which I am sure will increase in the future. What has made this arrangement work so well in the past had been the support, trust and fairness the legislature has provided. Today, Kansas County Treasurers are here to request that this support, trust and fairness be renewed in the form of your approval of Senate Bill 679.

At this time I will stand for questions or comments from the committee.



Kathleen Sebelius, Governor Terry L. Maple, Superintendent

www.kansashighwaypatrol.org

#### Written Testimony on Senate Bill 679 Senate Ways and Means Committee

#### Prepared by CAPT Mark A. Bruce Kansas Highway Patrol

March 17, 2008

The Kansas Highway Patrol is presenting this written testimony to express its support for Senate Bill 679, relating to the division of vehicle's modernization fund. The bill would allocate an additional \$4 to the modernization fund and allow the Kansas Department of Revenue to upgrade its existing computer system and enhance its service to County Treasurers and law enforcement agencies that utilize KDOR records.

Data collected on motor vehicle registrations and drivers' licenses is fed into systems utilized by law enforcement officers in daily routine enforcement activities. For example, an officer can use a driver's license to determine if a driver is driving with a suspended or fictitious license, or if an individual is wanted by another jurisdiction. An officer may use a vehicle's identification number or license plate number to determine if the vehicle is stolen or wanted in connection with another crime. Delays in obtaining the most accurate and up-to-date information could create potential concerns for officer safety, and suspended or uninsured drivers and other violators could slip through the cracks, which creates a danger to public safety.

The Kansas Highway Patrol supports Senate Bill 679 because it will improve the existing system and enhance access to important information used by law enforcement officers every day. Problems that inhibit KDOR's ability to share and communicate this information with law enforcement could have negative repercussions for law enforcement. Access to vehicle registration and driver's license information is vital to detecting and deterring criminal behavior and enhancing officer safety, which in turn benefits the safety of the public.

The Kansas Highway Patrol appreciates the opportunity to provide written testimony on Senate Bill 679. We would be happy to address any questions or provide follow-up information should the committee deem necessary.

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