

SESSION OF 2009

## **SUPPLEMENTAL NOTE ON SENATE BILL NO. 275**

As Amended by House Committee of the Whole

### **Brief\***

SB 275, as amended, would amend the definitions of certain vehicles and related terms and create an exclusion to one of the definitions modified by the bill. The bill also would create exclusions from certain certificate of title provisions.

### **Nonhighway Vehicle Exclusion**

The bill would amend the definition of “nonhighway vehicle” to exclude implements of husbandry from the definition. Additionally, the bill would exclude farm tractors from certificate of title provisions and notices of security interest on certificates of title under Article 9 of the Uniform Commercial Code.

“Implements of husbandry” are defined in current law to mean vehicles that are designed or adapted and used exclusively for agricultural operations, including feedlots, and are only incidentally moved or operated upon the highways. A farm tractor is included in the vehicles identified by the law as “implements of husbandry.”

### **All-Terrain Vehicle Requirements**

The bill also would increase the size requirements for a motor vehicle to be classified as an “all-terrain vehicle” in these ways:

- Increase the maximum width from 48 to 50 inches;

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- Increase the maximum dry weight from 1,000 to 1,500 pounds; and
- Increase the maximum rim diameter from 12 inches to 14 inches.

The bill also would change “low-pressure tire” in the definition to “nonhighway tire.”

The bill would become effective upon publication in the *Kansas Register*.

### **Background**

The bill was introduced by the Senate Federal and State Affairs Committee. Proponents appearing in support of the bill at the Committee hearing included: the Kansas Bankers Association, the Kansas Cooperative Council, the Kansas Farm Bureau, the Kansas Grain and Feed Association and the Kansas Agribusiness Retailers Association, the Kansas Livestock Association, the Production Credit Associations, and the Southwestern Association. The proponents of the bill generally stated that the bill provides clarification to the current law (revised in 2000 to adopt a model created by the National Conference of Commissioners on Uniform State Laws) to specifically state that implements of husbandry are not non-highway vehicles and remove the reference to “farm tractors” in Article 9 of the Uniform Commercial Code. The Kansas Bankers Association noted that implements of husbandry are now and always have been exempt from registration and titling requirements and, recently, confusion has been created by a law review article. Written testimony in support of the bill was offered by the Kansas Department of Revenue and the Kansas Corn Growers and Kansas Grain Sorghum Producers Association. The Department of Revenue representative indicated that removing farm tractors from security interest requirements would come into conformity with current titling process by the Bureau of Titles and Registration as a farm tractor does not have a Vehicle Identification Number (VIN) or

any traceable identification number other than the serial number of the tractor. No opponents were present at the Senate Committee hearing.

The House Committee of the Whole amended the bill to include modified size requirements for all-terrain vehicles. The amendment inserts the provisions of 2009 SB 293 (as amended by Senate Committee on Transportation).

The fiscal note prepared by the Division of the Budget on the original bill (SB 275) states that the Kansas Department of Revenue indicates the costs to implement the provisions of the bill could be absorbed within existing resources. Any fiscal effect associated with the bill is not included in *The FY 2010 Governor's Budget Report*. The fiscal note for the introduced version of SB 293 indicates passage of the bill would have no fiscal effect.