Division of Vehicles 300 SW 29<sup>th</sup> Street PO Box 2505 Topeka KS 66601-2505



Phone: 785-296-3601 www.ksrevenue.gov Laura Kelly, Governor

Mark Burghart, Secretary

To: House Committee on Transportation

From: Charles Bradley, KDOR Attorney

Date: January 28, 2025

RE: HB 2030

Thank you, Chairman Francis, and members of the committee for the opportunity to provide neutral testimony on HB 2030. This bill would statutorily exempt trailer dealers from many dealership requirements related to franchise agreements and manufacturer limitations.

As you are aware, new vehicle manufacturers cannot sell directly in Kansas and must have franchise agreements with local dealerships to sell their new vehicles, complete sales transactions and ensure warranties are honored. This is all for the protection of the consumer. A newly built trailer is considered a new vehicle and thus must comply with all the same requirements as a motorized vehicle. This bill intends to loosen the requirements for businesses that only sell trailers. For example, Tractor Supply and Home Depot sell personal use trailers but not trucks to tow them with. This bill would allow Tractor Supply to sell a variety of new trailers without having to have franchise agreements, or possibly even sell a trailer manufactured by Tractor Supply itself.

KDOR would recommend a slight change to the wording of the bill to clarify that the exemption applies exclusively to dealers that sell only trailers. The current reading of the bill would exempt any entity from the requirements of K.S.A. 8-2438, et al, as long as they have at least one trailer for sale on their lot. KDOR would be willing to work with bill proponents on drafting an amendment that would close this apparent loophole.

Thank you for the opportunity to speak with you and the committee,

I stand for questions.