STATE OF KANSAS

STATE CAPITOL TOPEKA, KANSAS 66612 (785) 296-7377 stephen.owens@senate.ks.gov



STEPHEN OWENS STATE SENATOR 31 ST DISTRICT P.O. BOX 606 HESSTON, KANSAS 67062 (620) 869-9487

TOPEKA SENATE CHAMBER

Chairman Mike Peterson Senate Committee on Transportation Kansas State Capitol 300 SW 10th Ave. Topeka, KS 66612 February 4, 2025

RE: Testimony in <u>SUPPORT</u> of SB 97 – Eliminating the Titling requirement for Non-Highway Titles

Chairman Peters & Members of the Committee:

FULL DISCLOSURE: I own and operate a powersports business that sells highway and nonhighway vehicles.

- Kansas law does **not** require the registration of non-highway vehicles. As a result, many individuals choose not to title their non highway vehicle either.
- Kansas law **requires** individuals to obtain a non-highway title, but rarely does this occur because there is no enforcement.
- As a dealer, I called KDOR dealer licensing to ask if as a retailer, I was required to provide a non-highway title to purchasers when I sell a used non-highway vehicle. Each time I have called, I have received different answers. Some agents say yes, others (as recent as two weeks ago) say no. The law is not clear.
- When researching this topic, I met with the revisor's and KDOR officials and they all acknowledged, the law is ambiguous at best for licensed dealers.
- Kansas dealerships are losing business (and thus, the state, county and cities are losing sales tax dollars):
 - Our company has required a non-highway title, or we won't take the unit in on trade or purchase the unit.
 - Customers then either sell them personally with no title or sales tax collected
 - Customers go to Nebraska or Missouri where the titles aren't required for non-highway vehicles
- As I have researched, I have learned the primary purpose behind requiring titling of nonhighway vehicles is to ensure these units are on the <u>personal property tax rolls</u>. As you are aware, we are on the cusp of eliminating property tax on all non-highway vehicles

STATE OF KANSAS

STATE CAPITOL TOPEKA, KANSAS 66612 (785) 296-7377 stephen.owens@senate.ks.gov



STEPHEN OWENS STATE SENATOR 31 ST DISTRICT P.O. BOX 606 HESSTON, KANSAS 67062 (620) 869-9487

TOPEKA SENATE CHAMBER

• Nothing prohibits an individual from choosing to obtain a non-highway title.

I would ask for your support as we clarify Kansas law and make it easier for Kansas dealers to do business in Kansas.

Thank you for your consideration.

Stephen Owens

Stephen Owens