SESSION OF 2022

SUPPLEMENTAL NOTE ON SENATE BILL NO. 161

As Amended by House Committee on <u>Transportation</u>

Brief*

SB 161, as amended, would create law related to personal delivery devices.

The bill would define "personal delivery device" as a powered device operated primarily on sidewalks and crosswalks and intended primarily for the transport of property on public rights-of-way that does not exceed 550 pounds, excluding cargo, and is capable of navigating with or without the active control or monitoring by a person. The bill would exclude personal delivery devices from the definitions of "motor vehicle" and "vehicle" in Kansas vehicle registration law.

Operations. The bill would also authorize personal delivery devices to operate on any sidewalk, crosswalk, or the shoulder or right side of any public highway of any municipality.

Personal delivery devices would be required to:

- Yield to all vehicles and not unreasonably interfere with traffic;
- Not block public rights-of-way;
- Obey all traffic signals;

^{*}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

- Operate at a maximum speed of ten miles per hour on sidewalks;
- Prominently display a unique identifying number;
- Prominently display the identification and contact information of the entity operating the personal delivery device; and
- Be equipped with a system that enables the device to come to a controlled stop and be actively controlled by an operator of the device.

The bill would assign personal delivery devices the rightof-way obligations and responsibilities of pedestrians when such devices are operating on sidewalks or crosswalks. The bill would require any personal delivery device operating between sunset and sunrise or on any public highway to be equipped with both front and rear lighting visible on all sides in clear weather from a distance of at least 500 feet.

Insurance. The bill would also require any entity operating a personal delivery device to maintain general liability insurance coverage of at least \$500,000 for damages arising from the operation of the device.

Additional restrictions. The bill would require personal delivery devices to be able to determine the proximity of other objects and have an audible warning system capable of notifying blind persons of the presence of the device. Personal delivery devices would not be permitted to transport hazardous materials, as that term is defined under federal law.

Annual fee. The bill would require each entity operating a personal delivery device to pay an annual fee of \$50 for each personal delivery device to the Division of Vehicles, Kansas Department of Revenue, and to submit an annual certification form providing information, including information on the entity and the entity's registered agent:

acknowledgment of certain operating requirements and liability; a list of traffic incidents or infractions involving any personal delivery device operated by the entity in Kansas in the previous year; and a list identifying each such device. A new fee and updated certification would be required for any new personal delivery device. The bill would direct the fees to the State Highway Fund.

Local regulation. The bill would authorize local units of government to prohibit personal delivery devices by resolution or ordinance if such government determines prohibition is necessary in the interest of public safety. The bill would require a public hearing before enacting an ordinance or resolution to restrict personal delivery devices and would specify requirements for notice of that hearing. The bill would prohibit a political subdivision from regulating the design, manufacture, and maintenance of a personal delivery device or the types of property the device may transport. The bill would state these provisions would not prohibit a political subdivision from regulating personal delivery device operation to ensure the welfare and safety of the political subdivision's residents. The bill would prohibit a political subdivision from treating personal delivery devices differently from similar personal property.

Background

The bill was introduced by the Senate Committee on Commerce at the request of a representative of Amazon.

Senate Committee on Commerce

In the Senate Committee hearing, **proponent** testimony was provided by representatives of Amazon and FedEx Corporation. The representative of Amazon testified the bill would allow Amazon to bring new package delivery technology to Kansas. The representative of FedEx Corporation requested an amendment to increase the

allowed weight to accommodate the FedEx personal delivery device.

Opponent testimony was provided by a representative of the Teamsters Local Union No. 696. The conferee stated the bill would have a negative impact on the jobs and safety of Kansans. Written-only opponent testimony was provided by representatives of the Working Kansas Alliance and the International Association of Sheet Metal, Air, Rail, and Transportation Workers.

A representative of the League of Kansas of Municipalities (LKM) provided neutral testimony on the bill. The representative stated the bill was changed from a 2021 version to exclude a provision prohibiting local governments from regulating personal delivery devices. The conferee said exclusion of that provision allowed the LKM to remove its opposition, but the organization continues to have concerns regarding safety and the erosion of home rule authority. Neutral written-only testimony was provided by a representative of the City of Overland Park.

The Senate Committee amended the bill to increase the liability insurance requirement from \$100,000 to \$1.0 million.

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to make personal delivery devices subject to commercial vehicle fees, clarify the definitions of "motor vehicle" and "vehicle," and make technical amendments to referenced statutes.

House Committee on Transportation

In the House Committee hearing, **proponent** testimony was provided by representatives of Amazon and FedEx Corporation. The representative of Amazon testified the bill would allow Amazon to bring new package delivery

technology to Kansas. The representative of FedEx Corporation requested an amendment to increase the allowed weight and maximum speed and to authorize operation on the right shoulder of a roadway, to accommodate the FedEx personal delivery device.

A representative of the International Brotherhood of Teamsters Local 696 provided **opponent** testimony. Writtenonly opponent testimony was provided by representatives of the International Brotherhood of Teamsters Joint Council 56 and the Working Kansas Alliance. Opponents raised safety concerns and asked that these devices be further tested before authorizing operation in Kansas. They also raised concerns about job losses.

A representative of the LKM provided neutral testimony, stating LKM had agreed to bill language regarding local control and continued to work with proponents on the issue.

The House Committee amended the bill to:

- Increase the weight limit of a personal delivery device to 550 pounds, excluding cargo;
- Authorize operation on the shoulder or right side of any public highway of a municipality and remove the requirement that operation on a public highway be only for the purpose of gaining or regaining access to a sidewalk or crosswalk;
- Increase the limit on speed of a personal delivery device from six miles per hour to ten miles per hour and specify that limit would apply to operations on sidewalks;
- Remove provisions making a personal delivery device subject to the commercial vehicle fee;

- Establish an annual fee for a personal delivery device and an annual certification form requiring specified information;
- Reduce the required liability coverage from \$1.0 million to \$500,000;
- Remove provisions subjecting a personal delivery device to a commercial vehicle fee;
- Require an annual fee of \$50 for each personal delivery device and certification from the entity;
- Require a political subdivision to hold a public hearing before enacting an ordinance or resolution to restrict personal delivery devices, and to provide notice of the hearing; and
- Add provisions regarding regulation by a political subdivision of personal delivery device operation.

Fiscal Impact

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, the Department of Revenue states enactment of the bill would have no fiscal effect on the agency.

The LKM indicates enactment of the bill could have a fiscal effect on cities and towns, but the effect cannot be estimated.

Personal delivery services; package delivery; delivery services; local control