

SESSION OF 2013

**CONFERENCE COMMITTEE REPORT BRIEF  
SENATE BILL NO. 164**

As Agreed to April 3, 2013

**Brief\***

SB 164 would create the statutory mechanism to allow the Department of Revenue (Department) to contract out to a person, partnership, corporation, local or county government, county treasurer, or other state agency any services associated with vehicle functions. The bill also would alphabetize various definitions related to registration of vehicles, add six definitions for terms related to vehicle registration (“contractor,” “electric vehicle,” “electronic notice of security interest,” “lien,” “notice of security interest,” and “vehicle functions”), modify two definitions, and make related technical amendments.

The bill would allow the Department to appoint contractors to perform functions relating to certificates of title, driver’s licenses, division-issued identification cards, and personal property taxation duties. For services related to the application, processing, auditing, and distribution of original or renewal vehicle registrations, the Department first must determine that a county treasurer has failed to maintain minimum standards of practice and service, as determined by the Department, before a contractor may be appointed.

The Secretary of Revenue would be authorized to adopt rules and regulations to implement and administer contracts with county treasurers and contractors to perform vehicle functions and establish minimum standards and practices for

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vehicle functions. Any Department order suspending or revoking a county treasurer's responsibility to perform vehicle functions must include requirements for the county treasurer's reinstatement.

The definition of "motor home" in the Uniform Act Regulating Traffic would be modified, from "a vehicle designed, used or maintained primarily as a mobile dwelling, office or commercial space" to "a vehicle designed to provide temporary living quarters for recreational, camping or travel use." The definition of "automobile dealer" in an insurance statute would be modified to reflect vehicle registration statute definitions of "new vehicle dealer" and "used vehicle dealer" and to remove a reference to a repealed statute.

### **Conference Committee Action**

The Conference Committee agreed to the House amendments to the bill and added the contents of Sub. for SB 70, as it passed the Senate, concerning definitions related to the registration of vehicles.

### **Background**

**SB 164** was introduced by the Senate Transportation Committee at the request of the Department. In the Senate Transportation Committee, the Director of Vehicles testified in support of the bill. She explained the bill was introduced pursuant to the recommendations made by the 2012 Governor's DMV Task Force. Proponent testimony also was received from a representative from the Kansas County Treasurers Association.

A representative from AAA Allied Group offered neutral testimony on the bill.

The Senate Committee amended the bill to clarify that the Department could appoint contractors to perform some or

all vehicle functions and to provide that the Department could appoint a contractor who is not a county treasurer for vehicle registrations only if it found the county treasurer failed to comply with certain requirements, as outlined in the bill. Further amendments were made to remove “motor” from all references to “motor vehicle,” to make the bill consistent with statutory references to “vehicle.”

The Senate Committee of the Whole made a technical amendment to the bill.

The House Committee on Transportation received proponent testimony from a Department representative. No neutral or opponent testimony was offered.

The House Committee on Transportation made a technical amendment to the bill.

The fiscal note prepared by the Division of the Budget on the original bill indicated passage of the bill would have no fiscal effect.

**SB 70** was requested by the Department’s Division of Vehicles. It also would have alphabetized terms related to vehicle registration but would have added more terms to that statute, terms defined in the Uniform Act Regulating Traffic. The Director of Vehicles testified as a proponent. A representative of the Kansas Automobile Dealers Association also testified in support of the original bill and proposed two amendments, one to amend the definition of a motor home, so that regulations related to mortgages clearly would not apply to a dealer selling a motor home, and updating the definition of "automobile dealer" in an insurance statute.

The Senate Committee on Transportation, after consultation with the Division of Vehicles, recommended a substitute bill that removed definitions of certain terms included in the original bill (terms that remain elsewhere in statute) and incorporated the amendments proposed by the Kansas Automobile Dealers Association.

According to the fiscal note prepared by the Division of the Budget on the original bill, the Department of Revenue indicates the bill would have no fiscal effect on state revenues or expenditures.

motor vehicles, vehicle administration functions, motor vehicle titling and registration, counties, contracts

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