Approved: <u>6/23/09</u>

Date

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on March 5, 2009, in Room 136-N of the Capitol.

All members were present except: Senator Pat Apple- excused Senator Anthony Hensley- excused

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes Hank Avila, Kansas Legislative Research Department Jill Shelley, Kansas Legislative Research Department Cindy Shepard, Committee Assistant

Conferees appearing before the Committee:

Llewellyn Crain, Executive Director, Kansas Arts Commission Carmen Alldritt, Director of Vehicles, Kansas Department of Revenue, State of Kansas Chris Maurich, Lobbyist, ABATE of Kansas Virgil Peck, Representative, State of Kansas Ralph Ostmeyer, Senator, State of Kansas Lee Tibbetts, from Auburn, Kansas

Others attending:

See attached list.

Chairman Umbarger requested staff briefing on <u>HB 2130</u>, <u>HB 2131</u>, and <u>HB 2134</u> since all three bills are dealing with license plates.

The Chairman opened the hearing on HB 2130 - Support Kansas arts license plate.

Llewellyn Crain, Executive Director of the Kansas Arts Commission spoke in support of <u>HB 2130</u>. According to Director Crain, a number of other states currently have arts license plates, reporting current fiscal revenue ranging from \$50,000 in New Hampshire, (population just over 1 million) to \$3,172,000 in California. The Kansas Arts Commission anticipates modest revenues of \$12,000 to \$50,000 from the sale of distinctive license plates. That income is important to the artist and arts organizations of Kansas, which are used to accomplishing a great deal with a few dollars (<u>Attachment 1</u>).

Carmen Alldritt, Director of Vehicles for the Kansas Department of Revenue (KDOR), testified as an opponent on <u>HB 2130</u>. She stated that the KDOR is not opposed to the arts license plate, but to the lack of funding. Exempting groups or sponsors from paying the full development costs, puts the additional expenses on the KDOR and the public. Director Alldritt requested before approving any new license plates, make sure adequate funding allocations are in place (<u>Attachment 2</u>).

Discussion followed, and the committee requested the revisor to draft an amendment to have the sponsoring group cover all costs up front, related to the design and production of the plates.

There being no further conferees the hearing on HB 2130 was closed.

The hearing on HB 2131 - Disabled veterans license plates, defining disabled veterans was opened.

Chris Maurich, Lobbyist, ABATE of Kansas appeared as a proponent of the bill. Mr. Maurich stated under current statute, a disabled veteran that is eligible for a Kansas handicapped tag, may not be eligible for a disabled veteran tag due to the requirement of 100% disability rating granted by the Veterans Administration. Many states have taken action that allows for a disabled veteran tag with a rating of 50% or greater. The proposed change in <u>HB 2131</u> would allow those veterans that meet the criteria, to display a disabled veteran license plate on their motor vehicle (<u>Attachment 3</u>).

Carmen Alldritt testified as an opponent of <u>HB 2131</u>, in it's current form. In addition to the issues brought up in the previous hearing, the Department of Motor Vehicles is in the process of changing vehicle

CONTINUATION SHEET

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registration systems. The new system will not allow personalized plates by county, as the current system potentially allows 105 of the same plate, only the county designation is different. Director Alldritt proposed an amendment to solve the issue (<u>Attachment 4</u>).

There being no further conferees, the hearing on HB 2131 was closed.

The Chairman opened the hearing on <u>HB 2134 - Distinctive license plates; exempting In God We Trust</u> plates from startup fee.

Representative Virgil Peck testified in support of <u>**HB 2134**</u>. This bill requests exemption from the startup fees due to all profits from the sale of the plate going back to the state. Representative Peck personally believes, in a 24 month period, the state will sell 15,000 to 20,000 plates, and the \$40.00 per special plate fee would gross \$600,000 to \$800,00 for the Highway Fund (<u>Attachment 5</u>).

Senator Ralph Ostmeyer spoke as a proponent of <u>**HB 2134**</u>. According to the Senator, this plate is expected to be the most popular personalized plate ever made in Kansas. Over 2000 people have already requested the plates, and the state will realize the initial \$13,000 required with the first 350 plates sold. This legislation passed last year without the expected amendment to waive the fees for the initial run of the plates, and none of the requesters individually have the funds to initiate the plate printing (<u>Attachment 6</u>).

Carmen Alldritt appeared in opposition for the same reasons as in the previously heard license plate bills. She stated that the Department is not against In God We Trust plates, but the lack of funding in <u>HB 2134</u>. She requested an amendment allocating adequate funding to make the plates (<u>Attachment 7</u>).

Lee Tibbetts, from Auburn, Kansas testified in opposition to <u>HB 2134</u>. Mr. Tibbetts stated that in our current economic crisis if would be irresponsible for the Legislature to pass this bill. Vanity license plates should not be subsidized when other cuts are being made (<u>Attachment 8</u>).

Written testimony in support of <u>HB 2134</u> was submitted by: Representative Jim Morrison, State of Kansas, (<u>Attachment 9</u>) Francis Landry, from Colby, Kansas (<u>Attachment 10</u>)

Following discussion, the Chairman directed the revisor to draft amendments to enable the KDOR to collect all the money for the cost of the license plates first, then after costs are covered, divert profits to the Highway Fund.

There being no further conferees, the hearing on <u>HB 2134</u> was closed.

The meeting was adjourned at 9:30 a.m. The next meeting is scheduled for March 6, 2009.