

STATE OF KANSAS
STATE CORPORATION COMMISSION

Notice of Public Hearing on Proposed Administrative Regulations

December 28, 2023

The State Corporation Commission (Commission) will conduct a public hearing at 10:00 a.m. on Tuesday, March 19, 2024, via Zoom, to consider the adoption of the proposed rules and regulations of the State Corporation Commission of the State of Kansas on a permanent basis.

This notice exceeds the 60-day notice requirement of the pending public hearing and shall constitute the beginning of the public comment period for the purpose of receiving written public comments on the proposed rules and regulations. A complete copy of the proposed regulations, economic impact statements and online comment form may be found on the Kansas Corporation Commission website: <http://kcc.ks.gov/your-opinion-matters>. Public comments will be accepted through 5 p.m. on March 18. Comments may be submitted online or by contacting Ahsan Latif at a.latif@kcc.ks.gov or by letter to Ahsan Latif, Litigation Counsel, State Corporation Commission, 1500 SW Arrowhead Road, Topeka, Kansas 66604.

All interested parties may participate at the Zoom meeting by registering on the KCC website [Kansas Corporation Commission - Your Opinion Matters \(ks.gov\)](http://kcc.ks.gov) prior to noon on March 18. The meeting will also be broadcast on our YouTube channel at [Kansas Corporation Commission - YouTube](https://www.youtube.com/channel/UC...). No registration is required for viewing.

Any individual with a disability may request an accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statement in an accessible format. Requests for accommodation to participate in the hearing should be made at least five (5) working days in advance of the hearing by contacting Jared Harsin at (785) 271-3161 or the Kansas Relay Center at 1-800-766-3777.

A summary of the proposed regulations and their economic impact are as follows: (Note: Statements indicating that a regulation is “not anticipated to have any economic impact” are intended to indicate that no economic impact on the State Corporation Commission, other state agencies, state employees, or the general public has been identified.)

K.A.R. 82-4-1 – Definitions.

The proposed amendments to this regulation, which defines the terms used in “Article 4 – Motor Carriers of Persons and Property,” includes updating the definition of “out-of-service” and “OOS” to include the latest version of the North American Standard

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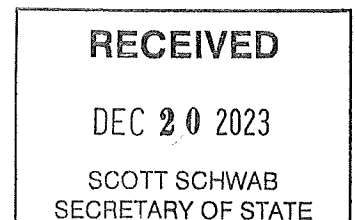
Out-of-Service Criteria. The proposed amendments are not anticipated to have an economic impact.

K.A.R. 82-4-30a. Applications for interstate registration.

This existing regulation adopts relevant portions of the Federal Motor Carrier Safety Administration (“FMCSA”) regulations (49 C.F.R. Part 367) and Unified Carrier Registration (UCR) Act (49 U.S.C. 14504a) which together establish the rules and registration fees owed by carriers based in Kansas that operate interstate. The proposed changes to this regulation allows the Kansas Corporation Commission and Kansas Highway Patrol to enforce the lower fee schedule approved for use in 2024. The proposed amendments are not anticipated to have an economic impact.

K.A.R. 82-4-3j – Inspection, repair, and maintenance.

This regulation adopts portions of the FMCSA regulations (49 C.F.R. Part 396) governing the inspection, repair and maintenance of commercial motor vehicles. The proposed amendments removes references to “Appendix G” to reflect the most recent updates to FMCSA regulations which replaced that section with an “Appendix A” which will now be adopted by reference. This allows motor carriers to comply with same rules they would be subject to in other states. The proposed amendments are not anticipated to have an economic impact.



82-4-1. Definitions. The following terms used in connection with the regulations of the state corporation commission governing motor carriers shall be defined as follows:

(a) "Affiliate" means a person or company controlling, controlled by, or under common control or ownership with another person or company.

(b) "Air mile" means nautical mile.

(c) "Authorized agent" and "authorized representative" mean any authorized special agent or employee of the commission, any member of the Kansas highway patrol, or any law enforcement officer in the state certified in the inspection of motor carriers and authorized in accordance with the requirements of the Kansas motor carrier safety program.

(d) "Certificate" means a document evidencing a certificate of convenience and necessity or a certificate of public service issued to an intrastate common carrier to operate motor vehicles as a common carrier.

(e) "Chameleon carrier" means a motor carrier continuing its motor carrier operation under a new USDOT or motor carrier identification (MCID) number for the purpose of avoiding a fine, penalty, federal out-of-service order, or commission order that was issued against the previously used USDOT or MCID number.

(f) "Commission" means Kansas corporation commission.

(g) "Director" means director of the transportation division of the commission.

(h) "Distance" means distance measured in air miles.

(i) Distances shall be computed from the corporate limits of incorporated communities and from the post office of unincorporated communities.

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(2) If there is no post office in the unincorporated community, the distance shall be computed from the center of the business district.

(i) "Docketing" means entering a proposal in the organization files and then giving notice of the proposal to other carrier members of the organization and shipper subscribers.

(j) "Entire direct case" shall include, for the purpose of this article of the commission's regulations, all testimony, exhibits, and other documentation offered.

(k) "Express carrier" means a common carrier who carries packages or parcels, the maximum weight of which does not exceed 350 pounds for each package or parcel.

(l) "FHWA" means federal highway administration.

(m) "FMCSA" means federal motor carrier safety administration.

(n) "General increase" and "general decrease" mean a common motor carrier rate increase or decrease proposed as a general adjustment of substantially all the rates published in a tariff.

(o) "Groundwater well drilling rig" means any vehicle, machine, tractor, trailer, semi-trailer, or specialized mobile equipment propelled or drawn by mechanical power and used on highways to transport groundwater well field operating equipment, including any groundwater well drilling and pump service rig equipped to access groundwater.

(p) "Hazardous materials regulations" and "HMR" mean the federal hazardous material regulations as adopted in K.A.R. 82-4-20.

(q) "Industry average carrier cost information" means the average intrastate cost of the carriers who participate in an organization tariff and who have authority from the commission to transport the commodities indicated in the organization tariff.

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(r) "Joint line rate" means a rate, charge, or allowance established by two or more common motor carriers of property or passengers that is applicable over the carriers' lines and for which the transportation can be provided by these carriers.

(s) "License" means the document or registration receipt evidencing the registration of an interstate common motor carrier or interstate exempt motor carrier to operate motor vehicles in the state of Kansas in interstate commerce.

(t) "Medical waiver" means "medical variance" as defined in 49 C.F.R. 390.5, which is adopted by reference in K.A.R. 82-4-3f.

(u) "Moving violation" means the commission or omission of an act by a person operating a motor vehicle that could result in injury or property damage and that is also a violation of a statute, ordinance, or regulation of this state or any other jurisdiction, including those convictions defined as Kansas moving violations in K.A.R. 92-52-9.

(v) "Notice" means advance notification to shipper subscribers through an organization's docket service.

(w) "Organization" means a legal entity that administers an agreement approved under K.A.R. 82-4-69.

(x) "Out-of-service" and "OOS," when used to describe a driver, a commercial motor vehicle, or a motor carrier operation, mean that the driver, commercial motor vehicle, or motor carrier has ceased to operate or move pursuant to the statutes and regulations of the state of Kansas, the federal motor carrier safety administration regulations, or the "North American standard out-of-service criteria," including the appendix, published by the commercial vehicle

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safety alliance. The “North American standard out-of-service-criteria,” revised on April 1, 2022 2023, is hereby adopted by reference with the following exceptions:

(1) The policy statements on pages 3, 17, 18, ~~71-73~~, ~~75-77~~, and ~~79-81~~ shall be deleted.

(2) The section titled “drivers operating in the state of Alaska (395.1(h))” on page ~~11-12~~ shall be deleted.

(3) All inspection bulletins shall be deleted.

(4) All sections applying to those operating in Canada and Mexico, including those on pages on pages ~~12-13~~, 14, 15, ~~16~~, ~~74-76~~ and ~~76-78~~, shall be deleted.

(5) All references to “operational policy 15 inspection and regulatory guidance” shall be deleted.

(6) All references to 49 C.F.R. Part 393 shall be followed by the phrase “as adopted by K.A.R. 82-4-3i.”

(7) All references to 49 C.F.R. Part 395 shall be followed by the phrase “as adopted by K.A.R. 82-4-3a.”

(8) All references to 49 C.F.R. Part 396 shall be followed by the phrase “as adopted by K.A.R. 82-4-3j.”

(9) All sections labeled “reserved” shall be deleted.

(y) “Ownership” means an equity holding in a business entity of at least five percent.

(z) “Permit” means the document evidencing authority of a motor carrier to operate motor vehicles as a private carrier.

(aa) “PHMSA” means pipeline and hazardous materials safety administration of the United States department of transportation.

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(bb) "Public motor carrier" shall have the same meaning as "For-hire motor carrier," as defined in 49 C.F.R. 390.5 as adopted by K.A.R. 82-4-3f.

(cc) "Single line rate" means a rate, charge, or allowance established by a single common motor carrier of property or passengers that is applicable only over its line and for which the transportation can be provided by that carrier.

(dd) "Tariff publication" means the rates, charges, classification, ratings, or policies published by, for, or on behalf of common motor carriers of household goods, property, or passengers.

(ee) "Transportation" means the movement of household goods, property, or passengers, or any combination of these, and the loading, unloading, or storage incidental to this movement.

(ff) "USDOT" means the United States department of transportation. (Authorized by and implementing K.S.A. ~~2021~~2023 Supp. 66-1,112, K.S.A. ~~2021~~2023 Supp. 66-1,112g, K.S.A. 66-1,129; effective Jan. 1, 1971; modified, L. 1981, Ch. 424, May 1, 1981; amended, T-83-45, Dec. 8, 1982; amended May 1, 1983; amended May 1, 1984; amended April 30, 1990; amended Sept. 16, 1991; amended July 6, 1992; amended May 10, 1993; amended Oct. 3, 1994; amended Jan. 30, 1995; amended Jan. 4, 1999; amended July 28, 2000; amended Nov. 14, 2011; amended Sept. 20, 2013; amended May 6, 2016; amended July 26, 2019; amended Feb. 10, 2023; amended, T-_____, _____; amended P-_____.)

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82-4-3j. Inspection, repair, and maintenance. (a) With the following exceptions, 49 C.F.R. Part 396 including appendix A, as in effect on October 1, ~~2018~~2022, is hereby adopted by reference:

(1) In 49 C.F.R. 396.1 (c), the phrase “49 CFR 390.5” shall be deleted and replaced with “49 C.F.R. 390.5 as adopted by K.A.R. 82-4-3f.” In paragraph (d), the phrase “49 CFR 390.38(b)” shall be deleted and replaced with “49 C.F.R. 390.38(b) as adopted by K.A.R. 82-4-3f.”

(2) In 49 C.F.R. 396.3(a)(1), the phrase “part 393 of this subchapter” shall be deleted and replaced by “49 C.F.R. Part 393, as adopted by K.A.R. 82-4-3i.”

(3) The following revisions shall be made to 49 C.F.R. 396.9:

(A) In paragraph (a), the phrase “Every special agent of the FMCSA (as defined in appendix B to this subchapter)” shall be deleted and replaced by “Any authorized representative of the commission, and any member of the Kansas highway patrol or any other law enforcement officer in the state who is certified in the inspection of motor carriers based on the motor carrier safety assistance program standards.”

(B) In paragraph (b), the sentence after “Prescribed inspection report” shall be deleted and replaced by the following sentence: “Motor vehicle inspections conducted by authorized personnel as described in paragraph (a) shall be made on forms approved by the Kansas highway patrol.”

(C) In paragraph (c)(1), the term “‘Out of Service Vehicle’ sticker” shall mean “a form approved by the Kansas highway patrol.”

(D) In paragraph (c)(2) “Driver Vehicle Examination Report” means a “motor vehicle inspection conducted by authorized personnel on forms approved by the Kansas highway patrol.”

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(E) In paragraph (d)(3)(ii), the phrase “issuing agency” shall be deleted and replaced by “the state’s lead Motor Carrier Safety Assistance Program agency.”

(4) In paragraph (h) of 49 C.F.R. 396.17, the phrase “penalty provisions of 49 U.S.C. 521(b)” shall be deleted and replaced by “civil penalties provided by K.S.A. 66-1,142b, K.S.A. 66-1,142c, and other applicable penalties.”

(5) The following revision shall be made to 49 C.F.R. 396.19: In paragraph (a)(1), the phrase “part 393” shall be deleted and replaced with “49 C.F.R. Part 393 as adopted by K.A.R. 82-4-3i.”

(6) In paragraphs (b)(2) and (3) of 49 C.F.R. 396.21, the word “Federal” shall be deleted.

(7) In appendix A to part 396, each reference to a portion of 49 C.F.R. Part 393 shall mean that section as adopted by K.A.R. 82-4-3i.

(8) All sections marked “reserved” shall be deleted.

(b) As used in this regulation, each reference to a portion of 49 C.F.R. Part 396 shall mean that portion as adopted by reference in this regulation.

(c) ~~Each reference to “Appendix G” or “Appendix G of this subchapter” shall mean “Appendix G to 49 C.F.R. Chapter III, Subchapter B, as adopted by K.A.R. 82-4-3j.”~~

~~(d) Appendix G to 49 C.F.R. Chapter III, Subchapter B, as in effect on October 1, 2018 2021, is hereby adopted by reference.~~

(e) Whenever the federal regulations adopted in this regulation refer to portions of the federal regulations or other operating standards that are not already adopted by reference in article 4 of the commission’s regulations, the references shall not be applicable to this regulation unless otherwise specifically adopted. (Authorized by and implementing K.S.A. 66-1,112, K.S.A. 66-1,112g, and K.S.A. 66-1,129; effective, T-82-12-29-04, Dec. 29, 2004; effective April

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29, 2005; amended Oct. 2, 2009; amended Sept. 20, 2013; amended May 6, 2016; amended July
26, 2019; amended February 10, 2023, amended, T- _____, _____;
amended P- _____.)

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82-4-30a. Applications for interstate registration. (a)(1) For the purposes of this regulation, “base state” shall have one of the following meanings:

(A) The meaning assigned to “base-state” in 49 U.S.C. 14504a(a)(2), as adopted in paragraph (a)(2) of this regulation; or

(B) if an entity does not have a principal place of business, office, or operating facility in any participating state, the participating state chosen by the entity that is nearest to the location of the entity’s principal place of business or any participating state within the entity’s FMCSA region.

(2) 49 U.S.C. 14504a, as in effect on ~~January 14, 2019~~ December 27, 2022, is hereby adopted by reference, except for the following portions:

(A) In 49 U.S.C. 14504a(a), the following:

(i) The phrase “and section 14506 (except as provided in paragraph (5))”;

(ii) 49 U.S.C. 14504a(a)(3);

(iii) 49 U.S.C. 14504a(a)(5)(B); and

(iv) 49 U.S.C. 14504a(a)(7);

(B) 49 U.S.C. 14504a(c) and (d);

(C) in 49 U.S.C. 14504a(f), 49 U.S.C. 14504a(f)(1)(B) through (E); and

(D) 49 U.S.C. 14504a(g) through (j).

(3) Each interstate motor carrier designating Kansas as the carrier’s base state and operating in interstate commerce over the highways of Kansas under authority issued by the relevant federal agency shall file the uniform application for registration issued by the relevant federal agency. The carrier shall file this application for registration with the transportation division of the state corporation commission.

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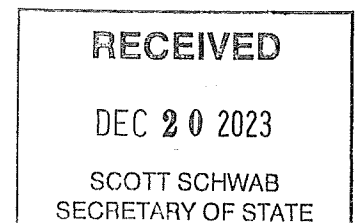
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(b) Each interstate motor carrier designating Kansas as the carrier’s base state shall pay a fee to the state corporation commission through the national registration system. This fee shall be in accordance with the fee schedule in 49 C.F.R. Part 367, as in effect on October 1, ~~2021~~2022 and as amended by ~~87 fed. reg. 53694-53695 (2022)~~88 fed. reg. 40723-40724 (2023), which is hereby adopted by reference except for all sections marked “reserved.”

(c) An interstate regulated motor carrier shall not operate in interstate commerce over the highways of Kansas unless the carrier is registered in the carrier’s base state as defined in paragraph (a)(1). (Authorized by K.S.A. ~~2021~~2023Supp. 66-1,112; implementing K.S.A. 66-1,108b, K.S.A. ~~2021~~2023Supp. 66-1,116, and K.S.A. 66-1,139; modified, L. 1981, ch. 424, May 1, 1981; amended Oct. 3, 1994; amended Jan. 4, 1999; amended July 14, 2000; amended Jan. 31, 2003; amended, T-82-10-8-07, Oct. 8, 2007; amended, T-82-12-10-07, Dec. 10, 2007; amended July 18, 2008; amended, T-82-5-12-10, May 12, 2010; amended Oct. 8, 2010; amended July 26, 2019; amended, T-82-10-27-20, Oct. 27, 2020; amended Feb. 19, 2021; amended, T-82-10-18-22, Oct. 18, 2022; amended February 10, 2023; amended, T-_____, _____; amended P- _____.)

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Kansas Administrative Regulations Economic Impact Statement (EIS)

Kansas Corporation Commission
Agency

Ahsan Latif
Agency Contact

(785) 271-3118
Contact Phone Number

82-4-1
K.A.R. Number(s)

Permanent Temporary

Is/Are the proposed rule(s) and regulation(s) mandated by the federal government as a requirement for participating in or implementing a federally subsidized or assisted program?

Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

No If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024 (as calculated in Section III, F)?

Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration, the Attorney General, AND the Division of the Budget. The regulation(s) and the EIS will require Budget approval.

No If no, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

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Section I

Brief description of the proposed rule(s) and regulation(s).

The proposed amendments to this regulation, which defines the terms used in “Article 4 – Motor Carriers of Persons and Property,” includes adopting the 2023 version of the North American standard out-of-service criteria. The proposed amendments are not anticipated to have an economic impact.

Section II

Statement by the agency if the rule(s) and regulation(s) exceed the requirements of applicable federal law, and a statement if the approach chosen to address the policy issue(s) is different from that utilized by agencies of contiguous states or the federal government. *(If the approach is different or exceeds federal law, then include a statement of why the proposed Kansas rule and regulation is different.)*

The definitions and rules adopted in this regulation allow Kansas to apply federal motor carrier regulations in a manner consistent with other states.

Section III

Agency analysis specifically addressing the following:

- A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

The changes in this regulation have *de minimis* effect on enhancing or restricting business activities and growth.

- B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;

The changes to this regulation involves removal of a definition and the adoption of the most current out of service criteria. The changes do not involve additional compliance costs for implementation.

- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);

This existing regulation applies to motor carriers in the state of Kansas.

- D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The changes to the regulation allow the Kansas Highway Patrol to use the most recent version of the out-of-service criteria.

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- E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The change would allow the state to use the most recent version of the out-of-service criteria, giving motor carriers operating in our state a substantially similar experience to what they have in other states. This would minimize the cost and impact on motor carriers.

- F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public.

Note: Do not account for any actual or estimated cost savings that may be realized.

Costs to Affected Businesses – \$0

Costs to Local Governmental Units – \$0

Costs to Members of the Public – \$0

Total Annual Costs – \$0

(sum of above amounts)

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

The regulation does not create any new obligations on motor carriers, rather it adopts a more recent version of the “out-of-service” criteria.

- Yes If the total implementation and compliance costs exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024, and prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.
- No
- Not Applicable

If applicable, click here to enter public hearing information.

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

\$0.00

Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

\$0.00

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G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

n/a

H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

The Commission's Transportation Division met with leaders of the Kansas Motor Carrier Association, Kansas Highway Patrol and Federal Motor Carrier Safety Administration officials in Kansas to discuss changes being made to this regulation.

Section IV

Does the Economic Impact Statement involve any environmental rule(s) and regulation(s)?

- Yes If yes, complete the remainder of Section IV.
No If no, skip the remainder of Section IV.

A. Describe the capital and annual costs of compliance with the proposed rule(s) and regulation(s), and the persons who would bear the costs.

Click here to enter agency response.

B. Describe the initial and annual costs of implementing and enforcing the proposed rule(s) and regulation(s), including the estimated amount of paperwork, and the state agencies, other governmental agencies, or other persons who would bear the costs.

Click here to enter agency response.

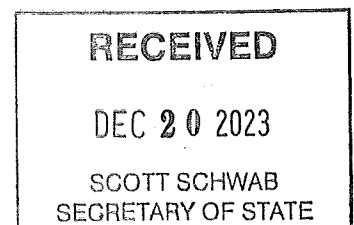
C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons who would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

Click here to enter agency response.

D. Provide a detailed statement of the data and methodology used in estimating the costs used.

Click here to enter agency response.

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Kansas Administrative Regulations Economic Impact Statement (EIS)

Kansas Corporation Commission
Agency

Ahsan Latif
Agency Contact

785-271-3118
Contact Phone Number

K.A.R. 82-4-3j
K.A.R. Number(s)

Permanent Temporary

Is/Are the proposed rule(s) and regulation(s) mandated by the federal government as a requirement for participating in or implementing a federally subsidized or assisted program?

Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

No If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024 (as calculated in Section III, F)?

Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration, the Attorney General, AND the Division of the Budget. The regulation(s) and the EIS will require Budget approval.

No If no, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

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Section I

Brief description of the proposed rule(s) and regulation(s).

This existing regulation adopts relevant portions of the FMCSA regulations (49 C.F.R. Part 396) governing the inspection, repair and maintenance of commercial motor vehicles. The proposed amendments to this regulation include minor grammar and form corrections, deletions and additions required to reflect the most recent updates to FMCSA regulations.

Section II

Statement by the agency if the rule(s) and regulation(s) exceed the requirements of applicable federal law, and a statement if the approach chosen to address the policy issue(s) is different from that utilized by agencies of contiguous states or the federal government. *(If the approach is different or exceeds federal law, then include a statement of why the proposed Kansas rule and regulation is different.)*

The adoption of this regulation is required by the federal government under 49 C.F.R. Part 350. Adoption of this regulation permits the Commission the ability to enforce the existing regulations as required by state and federal law.

If periodic updates to the Kansas motor carrier regulations are not conducted, the Commission becomes non-compliant with its requirement to maintain substantial compliance with the Federal Motor Carrier Safety Regulations pursuant to 49 C.F.R. Part 350. This non-compliance would carry the following monetary consequences on both existing and future funding:

- All MCSAP Basic and Incentive funding would be suspended. No additional grant funds could be applied for; and
- Multiple state agencies (KDOR, KCC, KDOT, KHP) currently hold the following grants: MCSAP, CVISN, HP, PRISM, SaDIP and New Entrant. In addition to future applications being denied, any remaining money in these account balances would not be able to be vouchered against.

Section III

Agency analysis specifically addressing the following:

- A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

This regulation establishes the minimum requirements for parts and accessories necessary on commercial motor vehicles operating in either intrastate or interstate commerce. The Commission's changes to this regulation create uniformity of enforcement between state and federal agencies. The change would

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replace dated references to Appendix G with references to Appendix A, which would better match the most recent version of the federal motor carrier statutes.

- B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;

The proposed changes to this regulation adjust the form in which Kansas adopts the federal regulation and allows Kansas to conform with recent changes to the adopted federal regulation. The Commission does not anticipate an economic impact resulting from the adoption of this proposed regulation.

- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);

Business that operate commercial motor vehicles in Kansas.

- D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The regulation allows the Commission to enforce safety rules in conformity with the federal standards.

- E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The Commission does not anticipate an economic impact resulting from the adoption of this proposed regulation.

- F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public.

Note: Do not account for any actual or estimated cost savings that may be realized.

Costs to Affected Businesses – \$0

Costs to Local Governmental Units – \$0

Costs to Members of the Public – \$0

Total Annual Costs – \$0

(sum of above amounts)

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

The proposed regulation features changes that result in less variance from the federal standards, but little substantive change.

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- Yes If the total implementation and compliance costs exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024, and prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.
- No
- Not Applicable

If applicable, click here to enter public hearing information.

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

\$0.00

Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

\$0.00

- G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

n/a

- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

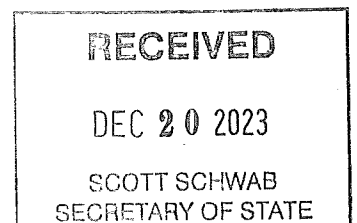
The Commission's Transportation Division met with leaders of the Kansas Motor Carrier Association, Kansas Highway Patrol and Federal Motor Carrier Safety Administration officials in Kansas to discuss changes being made to this

Section IV

Does the Economic Impact Statement involve any environmental rule(s) and regulation(s)?

- Yes If yes, complete the remainder of Section IV.
- No If no, skip the remainder of Section IV.

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- A. Describe the capital and annual costs of compliance with the proposed rule(s) and regulation(s), and the persons who would bear the costs.

[Click here to enter agency response.](#)

- B. Describe the initial and annual costs of implementing and enforcing the proposed rule(s) and regulation(s), including the estimated amount of paperwork, and the state agencies, other governmental agencies, or other persons who would bear the costs.

[Click here to enter agency response.](#)

- C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons who would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

[Click here to enter agency response.](#)

- D. Provide a detailed statement of the data and methodology used in estimating the costs used.

[Click here to enter agency response.](#)

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Kansas Administrative Regulations Economic Impact Statement (EIS)

Kansas Corporation Commission
Agency

Ahsan Latif
Agency Contact

(785) 271-3118
Contact Phone Number

K.A.R. 82-4-30a
K.A.R. Number(s)

Permanent Temporary

Is/Are the proposed rule(s) and regulation(s) mandated by the federal government as a requirement for participating in or implementing a federally subsidized or assisted program?

Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

No If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024 (as calculated in Section III, F)?

Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration, the Attorney General, AND the Division of the Budget. The regulation(s) and the EIS will require Budget approval.

No If no, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

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Section I

Brief description of the proposed rule(s) and regulation(s).

This existing regulation adopts federal regulations for Unified Carrier Registration that allow the State to collect registration fees under the revised Federal Unified Carrier Registration Agreement. Kansas is required to adopt by reference the UCR fee schedule to remain in compliance with the Unified Carrier Registration System. Adoption of the latest amendments to 49 C.F.R. Part 367 allows the KCC to adopt the fee schedule into 2024. The fees have been reduced from those collected in 2023 and previous years.

Section II

Statement by the agency if the rule(s) and regulation(s) exceed the requirements of applicable federal law, and a statement if the approach chosen to address the policy issue(s) is different from that utilized by agencies of contiguous states or the federal government. *(If the approach is different or exceeds federal law, then include a statement of why the proposed Kansas rule and regulation is different.)*

The adoption of the federal regulation does not exceed the requirements of applicable federal law. It would allow Kansas to enforce collection of the fees at the new, lower rate.

Section III

Agency analysis specifically addressing the following:

- A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

The change adopts and updates references to most recent version of the federal statute and regulation, allowing the state of Kansas to enforce updates to the Unified Carrier Registration Agreement into 2024.

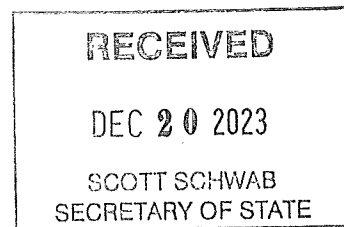
- B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;

The change allows for more clarity of enforcement and compliance with the regulation. The fee structure has consistently reduced as more carriers pay into the fund. From 2023 to 2024 the fees will be reducing.

- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);

Motor carriers operating in interstate commerce that are based in Kansas.

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D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The change allows for more clarity of enforcement and compliance with the federal regulations. The KCC will be able to enforce the reduced fee structure into 2024.

E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The KCC is seeking adoption of the reduced fees to further minimize the cost carriers would face going into 2024.

F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public.

Note: Do not account for any actual or estimated cost savings that may be realized.

Costs to Affected Businesses – \$00.00

Costs to Local Governmental Units – \$00.00

Costs to Members of the Public – \$00.00

Total Annual Costs – \$00.00

(sum of above amounts)

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

Amending the regulation to reduce the fee structure would not cost motor carriers in Kansas more, it would in fact ensure they paid less to maintain their UCR registration in 2023.

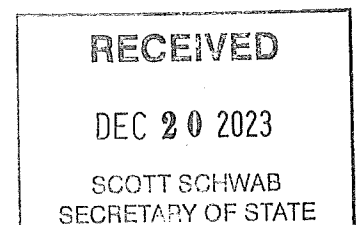
- Yes
 - No
 - Not Applicable
- If the total implementation and compliance costs exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024, and prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

If applicable, click here to enter public hearing information.

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

There is not a substantial change in the revenues or expenditures of the state for implementation of the proposed regulation. The state would continue to enforce the requirement to maintain UCR registration the way it currently does, but at a lower rate.

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Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

There is not a substantial change in the obligations placed on motor carriers by adoption of the proposed regulation. The proposed regulation would allow the KCC's Transportation Division to continue to enforce UCR registration as it currently does.

G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

n/a

H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

The Commission's Transportation Division met with leaders of the Kansas Motor Carrier Association, Kansas Highway Patrol and Federal Motor Carrier Safety Administration officials in Kansas to discuss changes being made to this regulation.

Section IV

Does the Economic Impact Statement involve any environmental rule(s) and regulation(s)?

Yes If yes, complete the remainder of Section IV.

No If no, skip the remainder of Section IV.

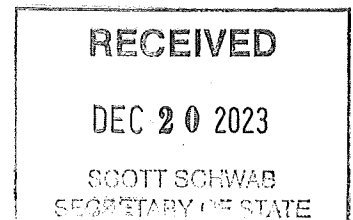
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Click here to enter agency response.

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Click here to enter agency response.

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- C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons who would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

[Click here to enter agency response.](#)

- D. Provide a detailed statement of the data and methodology used in estimating the costs used.

[Click here to enter agency response.](#)

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