

Before the House Transportation Committee

January 16, 2020

Transportation Update of Current Events

Submitted by Mike Hoeme, Director, Transportation Division

On Behalf of

The Staff of the Kansas Corporation Commission

Chair Proehl, Vice Chair Thimesch, Ranking Minority Member Helgerson, and members of the Committee, thank you for the opportunity to brief your Committee today on behalf of the Staff of the Kansas Corporation Commission (KCC or Commission).

The primary mission of the Transportation Division of the Kansas Corporation Commission is ensuring that commercial motor vehicles (CMV) on Kansas motorways operate as safely and efficiently as possible. Promoting safety is, and always has been, the main goal of our Division. By educating our professional motor carriers about the latent hazards they may encounter we not only help ensure the safe travel of all persons moving through Kansas, but help mitigate risks motor carriers may otherwise encounter. This peace of mind is crucial to facilitating positive economic growth in our state.

Education Program

As the motor carrier industry continues to expand, it is necessary for the Transportation Division to establish an effective and efficient infrastructure that focuses on sound safety training and enforcement programs aimed at identifying and minimizing unsafe conditions potentially harmful to the motor carrier and the traveling public. The Transportation Division continues to focus on training and maintains a full safety training program schedule available for all public and private motor carriers in Kansas.

KCC's Special Investigators (SIs) are involved in conducting educational safety seminars throughout Kansas six times per month. The motor carriers can select from seminars in Bonner Springs, Chanute, Topeka, Hutchinson, Hays or Garden City. These free seminars are designed to inform and educate new carriers, and out of compliance motor carriers, about current rules and regulations. The SIs also conduct individual "refresher" safety programs when specifically requested by a motor carrier. Motor carriers are notified of seminar dates at the time they apply for KCC authority. Safety seminar information is also located on the KCC website. Safety training

information is forwarded to various transportation associations for inclusion in their newsletters and websites.

The KCC has put an emphasis on serving rural motor carriers and ensured that those in our rural areas do not have far to go to attend class. Additionally, rural motor carriers have access to motor carrier inspectors assigned to regions all over the state. Our inspectors serve as a local resource to carriers and can respond to specific questions that come up in the field.

Human Trafficking Awareness Training added to Education Program

The KCC has partnered with the Attorney General's Office , Kansas Highway Patrol (KHP), Kansas Motor Carriers Association (KMCA) and Truckers Against Trafficking (TAT) to include training in identifying and reporting suspected human trafficking as part of the motor carrier safety seminars which take place throughout the state. The Truckers Against Trafficking training is part of a focus aimed at reducing human trafficking by enlisting the help of motor carriers to report suspicious activity they encounter as they travel the nation's highways. The training began in February of 2016 and since that time more than 4,500 motor carrier representatives in Kansas have received the training.

Kansas Trucking Regulatory Assistance Network (KTRAN)

The Kansas Trucking Regulatory Assistance Network (KTRAN) is a web-based motor carrier regulatory system that enhances the state's ability to regulate and also provides ease of compliance for motor carriers. The use of KTRAN streamlines compliance and allows carriers to determine what rules apply to their operations, apply for necessary authorities, receive compliance alerts, pay fines, and submit paperwork through one portal. Additionally, it allows for enforcement agencies, including KCC Staff and the KHP, to review carrier profiles and quickly determine if the motor carrier is in compliance, needs guidance, or has short or long term compliance issues.

The KTRAN project was implemented in March of 2017. The Transportation Division began a soft launch of the project in May of 2017 with 11,000 of the state's 17,577 motor carriers receiving KTRAN notices and registering their companies. The remaining carriers were sent a notice to register with KTRAN by the end of July 2017. To date, 15,187 motor carriers have active KTRAN accounts. KTRAN is a joint project involving the KCC, Kansas Department of Revenue (KDOR), KHP and Kansas Department of Transportation (KDOT) working together as part of the Kansas Expanded Commercial Vehicle Information Systems Networks (CVISN) Program Plan.

Unified Carrier Registration (UCR)

The KCC is a leader in participation, management, and enforcement of the Unified Carrier Registration (UCR) program. Forty-one states participate in the UCR agreement which requires most motor carriers operating interstate to pay a per-vehicle fee that is then distributed to states to pay for safety programs and to administer the UCR Program. Since the program was established in 2007, Kansas has been the top performing state when judged by the percentage of active motor carriers in Kansas who are properly registered. The success of our state's enforcement procedures led to the UCR Board asking our staff to conduct a series of trainings across the country to help

other states enhance and improve their outreach, enforcement and auditing procedures. After trainings by KCC Staff in Atlanta, Chicago and Salt Lake City, thirty-eight of the forty-one participating states have benefited from learning our state's procedures. As a result, UCR Registration Fees have decreased by 18% over the last three years. In 2019 the UCR Board submitted an additional 3% reduction for the 2020 UCR Fees, if approved the registration fees paid by motor carriers will have been reduced by 21% in the last four years. The KCC continues to look for ways to improve our audit procedures and outreach efforts to find new ways to benefit participating state's enforcement and ensure industry compliance with the program.

Federal Legislation, Technology and Innovation

The KCC is constantly monitoring and updating its strategies, trainings and its adoption of federal regulations to keep up with changes in technology and innovations to the motor carrier industry. Some of these initiatives include, in 2017, the KCC spearheaded the state's adoption of new Electronic Logging Devices which allowed Kansas to keep pace with enforcement changes nationally. Additionally, this past year the KCC included trainings regarding the FMCSA's: Hours of Service; Commercial Driver's License; and Drug and Alcohol Clearinghouse requirements which allows motor carriers to better track the drug history and fitness of drivers they hire and employ.

Finally, while FMCSA has not promulgated new rules, regulations or notices regarding the use of autonomous vehicles, the KCC is monitoring developments in that area to ensure Kansas is correctly enforcing and adapting to changes in the motor carrier industry.

Conclusion

Today, very little economic regulation of the motor carrier industry actually remains, and the barriers to entry are incredibly miniscule. The regulatory schemes that cover motor carriers have changed dramatically over the past century. What once was an industry heavily regulated in all aspects has become a more streamlined sector with an emphasis on safety. The Transportation Division of the Kansas Corporation Commission has adjusted its operations throughout its history to accommodate the needs of an ever changing regulatory environment. Our regulatory oversight is focused almost entirely on promoting safety with our motor carriers, and maintaining a certain level of compliance in that regard. The regulations we promulgate and enforce are designed to be minimally invasive while achieving this important objective.