

SENATE BILL No. 215

AN ACT concerning transportation; authorizing the board of education of a school district to contract with transportation network companies to provide certain transportation services; specifying requirements therefor; transferring authority over driver's education programs operated by certain postsecondary institutions and driver training schools to the department of revenue; authorizing the department of revenue to promulgate rules and regulations therefor; amending K.S.A. 8-273, 8-274, 8-275, 8-276, 8-277, 8-278, 8-279 and 8-280 and K.S.A. 2021 Supp. 8-267, 8-272 and 8-2708 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) The board of education of a school district may contract with a transportation network company to transport eight persons or fewer to and from school or school-related activities, where appropriate, as the contract with the transportation network company may establish.

(b) In addition to the requirements of this act for transportation network companies and transportation network company drivers, the board of education of a school district may establish additional requirements in the contract with the transportation network company. The department of education, in consultation with a transportation network company that will provide services pursuant to this section, may issue guidance to school districts contracting with a transportation network company to provide transportation services.

(c) Transportation network companies shall:

(1) Require transportation network company drivers providing services pursuant to this section to undergo a criminal history record check pursuant to K.S.A. 75-712i, and amendments thereto; and

(2) obtain and review a driving history research report for each transportation network company driver providing services pursuant to this section.

(d) A transportation network company that provides transportation services pursuant to this section shall provide an annual safety report to the state board of education for any safety incidents that occurred in the previous calendar year.

(e) A transportation network company shall name as an additional insured on such transportation network company's insurance policy any school district that contracts with such transportation network company to provide transportation services pursuant to this section.

(f) The Kansas transportation network company services act and the contract between the board of education of a school district and the transportation network company shall exclusively govern the services provided pursuant to this section, and all rules and regulations of the state board of education concerning the transportation of students shall not apply.

(g) The board of education of a school district that contracts for school transportation services pursuant to this section shall:

(1) Provide notice to the parent or guardian of a student that such student will be riding with a transportation network company;

(2) provide an annual disclaimer to the parent or guardian of a student that may be transported by a transportation network company that the school district uses transportation network company services for school transportation purposes and that the relationship between the school district and the transportation network company is governed by a contract and not the rules and regulations of the state board of education;

(3) permit the parent or guardian of a student to not allow such student to ride with a transportation network company; and

(4) maintain insurance coverage or endorsement for students transported by a transportation network company that covers the students as though the students were in the care, custody and control of the school district even when being transported by a transportation network

company.

(h) This section shall be a part of and supplemental to the Kansas transportation network company services act.

Sec. 2. K.S.A. 2021 Supp. 8-267 is hereby amended to read as follows: 8-267. All moneys received under this act shall be remitted by the secretary of revenue to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury and shall:

(a) Credit 37.5% of all moneys so received from class C driver's licenses and 20% of all moneys so received from class M driver's licenses and 20% of all moneys so received from class A or B driver's licenses and 20% of all moneys so received from all commercial driver licensee classes remaining after the \$2 credit provided in subsection (c) to a special fund, which is hereby created and shall be known as the state safety fund;

(b) credit 20% of all moneys so received from class M driver's licenses to a special fund which is hereby created and shall be known as the motorcycle safety fund;

(c) credit \$2 from each commercial driver's license fee to a special fund which is hereby created and shall be known as the truck driver training fund;

(d) credit all photo fees collected under K.S.A. 8-243, and amendments thereto, to the photo fee fund;

(e) credit all hazardous materials endorsement fees collected under K.S.A. 2021 Supp. 8-2,151, and amendments thereto, to the hazmat fee fund; and

(f) credit the driver improvement clinic fees collected under K.S.A. 8-255, and amendments thereto, as follows:

(1) Credit 50% of each such fee to the division of vehicles operating fund; and

(2) credit 50% of each such fee to the correctional services special revenue fund.

Moneys in the state safety fund and in the motorcycle safety fund shall be distributed to provide funds for driver training courses in the schools *and community colleges* in Kansas and for the administration of this act, as the legislature shall provide. In addition, moneys in the motorcycle safety fund shall be distributed to provide funds for courses in motorcycle safety in community colleges in Kansas. Moneys in the truck driver training fund shall be distributed to provide funds for courses in truck driver training in community colleges, area vocational schools and area vocational-technical schools in Kansas. Except as otherwise provided by K.S.A. 8-241, and amendments thereto, the state treasurer shall credit the balance of all moneys received under this act, including all moneys received from commercial driver's license endorsements to the state highway fund.

Sec. 3. K.S.A. ~~2020~~ 2021 Supp. 8-272 is hereby amended to read as follows: 8-272. (a) Any school district conducting an approved course in driver training and any student attending a nonpublic school accredited by the state board of education conducting an approved course in driver training *and any student 19 years of age or under attending a community college conducting an approved course in driver training* shall be entitled to participate in the state safety fund created by K.S.A. 8-267, and amendments thereto. In August of each year, the superintendent of each school district and the governing authority of each nonpublic school *and community college* shall report to the state board of education the number of students who have been in attendance for a complete driver training course conducted by such school district ~~or~~, nonpublic school *or community college* during the

past school year. The state board of education shall certify to the director of accounts and reports the amount due each school district and each student of a nonpublic school *or community college* entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each school district and to each student of a nonpublic school *or community college* entitled to payment under this subsection upon vouchers approved by the state board and shall cause such warrants to be delivered to the respective school districts ~~and~~, nonpublic schools *and community colleges*. If the amount appropriated in any year from the state safety fund is insufficient to pay the full amount each school district and each student of a nonpublic school *or community college* is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all school districts and all students of nonpublic schools *and community colleges* in proportion to the amount each school district and each student of a nonpublic school *or community college* is entitled to receive. No moneys in the state safety fund shall be used for any purpose other than that specified in this subsection or for the support of driver improvement programs. The state board of education shall prescribe all forms necessary for reporting in connection with this act. The funds shall be distributed on or before November 1 each year.

(b) (1) Any school district conducting an approved course in motorcycle safety as a part of an approved course in driver training~~;~~, any student attending a nonpublic school accredited by the state board of education conducting an approved course in motorcycle safety as a part of an approved course in driver training or any community college conducting an approved course in motorcycle safety shall be entitled to participate in the motorcycle safety fund created by K.S.A. 8-267, and amendments thereto. The state board of education may establish, by rules and regulations, standards for the conduct, operation and approval of courses in motorcycle safety and for the qualifications of instructors for such courses conducted by a school district or nonpublic accredited school. Such standards shall not include the requirement that instructors be licensed by the state board of education. In August of each year, the superintendent of each school district or the governing authority of each nonpublic school shall report to the state board of education the number of students who have been in attendance for a complete course in motorcycle safety as a part of the driver training course conducted by such school district or nonpublic school during the past school year. The state board of education shall certify to the director of accounts and reports the amount due each school district and each student of a nonpublic school entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each school district and to each student of a nonpublic school entitled to payment under this subsection upon vouchers approved by the state board and shall cause such warrants to be delivered to the respective school districts and nonpublic schools. If the amount appropriated in any year from the motorcycle safety fund shall be insufficient to pay the full amount each school district and each student of a nonpublic school is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all school districts and all students of nonpublic schools in proportion to the amount each school district and each student of a nonpublic school is entitled to receive. No moneys in the motorcycle safety fund shall be used for any purpose other than that specified in this subsection or for the support of motorcycle driver improvement programs. The state board of education shall prescribe all forms necessary for reporting in connection with this act. The funds

shall be distributed on or before November 1 each year.

(2) Any community college conducting an approved course in motorcycle safety shall be entitled to participate in the motorcycle safety fund created by K.S.A. 8-267, and amendments thereto. The ~~state board of regents~~ *department of revenue* may establish, by rules and regulations *or by public declaration of the director of vehicles*, standards for the conduct, operation and approval of courses in motorcycle safety and for the qualifications of instructors for such courses conducted by a community college. ~~Such standards shall not include the requirement that instructors be licensed by the state board of education.~~ In August of each year, the chief administrative officer of each community college shall report to the state board of regents *and the department* the number of students who have been in attendance for a complete course in motorcycle safety as a part of the driver training course conducted by such community college during the past school year. The state board of regents shall certify to the director of accounts and reports the amount due each community college entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each community college entitled to payment under this subsection upon vouchers approved by the state board *of regents* and shall cause such warrants to be delivered to the respective community colleges. If the amount appropriated in any year from the motorcycle safety fund shall be insufficient to pay the full amount each community college is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all community colleges in proportion to the amount each community college is entitled to receive. No moneys in the motorcycle safety fund shall be used for any purpose other than that specified in this subsection or for the support of motorcycle driver improvement programs *or department administration*. The *department, in consultation with the state board of regents*, shall prescribe all forms necessary for reporting in connection with this act. The funds shall be distributed on or before November 1 each year.

(c) (1) ~~For the purpose of As used in this subsection, "vocational education school" "institution" means a technical school affiliated with a public university in this state, a technical college or community college, area vocational technical school or area vocational school.~~

(2) ~~Any vocational education school institution~~ conducting an approved course in truck driving shall be entitled to participate in the truck driver training fund created by K.S.A. 8-267, and amendments thereto. The ~~state board of regents~~ *department* may establish, by rules and regulations *or by public declaration of the director of vehicles*, standards for the conduct, operation and approval of courses in truck driver training and for the qualifications of instructors for such courses. Such standards shall not include the requirement that instructors be certificated by the state board of regents. *Courses in truck driver training for an interstate commercial class license shall also comply with the Kansas uniform commercial drivers' license act.* In August of each year, the chief administrative officer of each ~~vocational education school~~ *participating institution* shall report to the state board of regents *and the department* the number of students who have been in attendance for a complete course in truck driver training conducted by such ~~vocational education school~~ *institution* during the past school year. The state board of regents shall certify to the director of accounts and reports the amount due each ~~vocational education school~~ *institution* entitled to payment under this subsection. The director of accounts and reports shall draw warrants on the state treasurer payable to the treasurer of each ~~vocational education school~~ *institution* entitled to

payment under this subsection upon vouchers approved by the state board of regents and shall cause such warrants to be delivered to the respective ~~vocational education school~~ *institution*. If the amount appropriated in any year from the truck driver training fund shall be insufficient to pay the full amount each ~~vocational education school~~ *institution* is entitled to receive under this subsection, then the entire amount appropriated for such year shall be prorated among all ~~vocational education schools~~ *participating institutions* in proportion to the amount each ~~vocational education school~~ *institution* is entitled to receive. No moneys in the truck driver training fund shall be used for any purpose other than that specified in this subsection or for the support of truck driver training programs *and department administration*. The *department*, in consultation with the state board of regents, shall prescribe all forms necessary for reporting in connection with this act. The funds shall be distributed on or before November 1 each year.

Sec. 4. K.S.A. 8-273 is hereby amended to read as follows: 8-273. ~~The following words and phrases when used in this act shall, unless the context otherwise requires, have the meanings respectively ascribed to them in this section:~~

(a) "Motor vehicle:" *means* every vehicle ~~which~~ *that* is self-propelled upon or by which any person or property is or may be transported or drawn upon a public highway except devices used exclusively upon stationary rails or tracks.

(b) "Drivers' training schools:" *means* any person, partnership or corporation giving driving instruction to ~~ten~~ (10) or more persons per calendar year for the purpose of meeting requirements for licensed driving of motor vehicles in Kansas.

(c) "Person:" *means* every natural person, firm, copartnership, association, corporation; or school.

(d) "Department:" *means* the ~~state~~ department of ~~education~~ *revenue* acting directly or through its duly authorized officers and agents.

(e) "State board:" *means* the state board of education.

(f) "Drivers' license examiners:" *means* examiners appointed by the division of vehicles for the purpose of giving drivers' license examinations.

Sec. 5. K.S.A. 8-274 is hereby amended to read as follows: 8-274. No person shall operate a driver training school or engage in the business of giving instruction for hire in the driving of motor vehicles or in the preparation of an applicant for examination given by driver license examiners for an operator's or chauffeur's license or permit, unless a license therefor has been secured from the ~~state board~~ *department*.

Sec. 6. K.S.A. 8-275 is hereby amended to read as follows: 8-275. ~~Every person~~ In order *for a person* to qualify to operate a driving school, *such person* shall meet the following requirements:

(a) Be of good moral character;

(b) maintain an established place of business to the public;;

(c) maintain bodily injury and property damage liability insurance on motor vehicles while used in driving instruction, insuring the liability of the driving school, the driving instructors and any person taking instruction in at least the following amounts: ~~One hundred thousand dollars~~ (\$100,000) for bodily injury to or death of one person in any one accident and, subject to ~~said~~ *such* limit for one person, ~~two hundred thousand dollars~~ (\$200,000) for bodily injury to or death of two (2) or more persons in any one accident and the amount of ~~twenty thousand dollars~~ (\$20,000) for damage to property of others in any one accident. Evidence of such insurance coverage in the form of a

certificate from the insurance carrier shall be filed with the ~~state department of education, revenue~~ and such certificate shall stipulate that the insurance shall not be canceled except upon ~~ten (10) days~~ 10 days' prior written notice to the ~~state board department~~. Such insurance shall be written by a company authorized to do business in this state.;

(d) provide a continuous surety company bond in the principal sum of ~~two thousand five hundred dollars (\$2,500)~~ for the protection of the contractual rights of students in such form as will meet with the approval of the ~~state board department~~ and written by a company authorized to do business in this state. However, the aggregate liability of the surety for all breaches of the condition of the bond in no event shall exceed the principal sum of ~~two thousand five hundred dollars (\$2,500)~~. The surety on any such bond may cancel such bond on giving ~~thirty (30) days~~ 30 days' written notice thereof ~~in writing~~ to the ~~state board department~~ and shall be relieved of liability for any breach of any condition of the bond ~~which that~~ occurs after the effective date of cancellation.;

(e) have the equipment necessary to the giving of proper instruction in the operation of motor vehicles as prescribed by the ~~state board department~~; and

(f) pay to the ~~board department~~ an application fee of ~~twenty-five dollars (\$25)~~.

Sec. 7. K.S.A. 8-276 is hereby amended to read as follows: 8-276. ~~Every person~~ In order for a person to qualify as an instructor for a driving school, such person shall meet the following requirements:

(a) Present to the ~~state board department~~ evidence of: (1) Credit in driver education and safety from an accredited college or university equivalent to credits in those subjects ~~which are~~ required of instructors in the ~~public schools of Kansas accredited by the state board~~; (2) having a valid ~~Kansas teacher's certificate coded for credential issued by the state board to teach driver education~~; or (3) having completed at least 30 hours of classroom and 24 hours of behind the wheel training under the direct supervision of an individual who is presently licensed as an instructor by the state board under ~~paragraphs~~ paragraph (1) or (2) and who has been continuously licensed and who has actively instructed students for a period of at least three years.;

(b) have knowledge of the Kansas operation lifesaver highway/railroad grade crossing safety program.;

(c) be physically able to operate safely a motor vehicle and to train others in the operation of motor vehicles.;

(d) provide a certificate of health from a medical doctor stating that such person is ~~free from contagious disease~~. *physically and mentally able to safely operate a motor vehicle*;

(e) hold a valid Kansas drivers' license.;

(f) pay to the ~~state board department~~ an application fee of \$5.

Sec. 8. K.S.A. 8-277 is hereby amended to read as follows: 8-277.

(a) The ~~state board department~~ shall issue a license certificate to each applicant to conduct a driver training school or to each driver training instructor when the ~~state board department~~ is satisfied that such ~~person applicant~~ has met the qualifications required under this act.

(b) All ~~outstanding~~ licenses issued to any driver training school or driver training instructor pursuant to the provisions of this act, shall expire as a matter of law at midnight on December 31 of the calendar year for which the license was issued, unless sooner canceled, suspended or revoked under the provisions of K.S.A. 8-279, and amendments thereto.

(c) The license of each driver training school and each driver training instructor may be renewed subject to the same conditions as the original license, and upon payment of the same fee.

(d) All applications for renewal of a driver training school license or driver training instructor's license shall be on a form prescribed by the ~~state board~~ department, and ~~must~~ shall be filed with the ~~state department of education~~ not more than ~~sixty (60)~~ days, nor ~~less fewer~~ than ~~ten (10)~~ days preceding the expiration date of the license to be renewed.

Sec. 9. K.S.A. 8-278 is hereby amended to read as follows: 8-278.

(a) The ~~state board~~ department is authorized to prescribe by rules and regulations, standards for the eligibility, conduct and operation of driver training schools and instructors and to adopt other reasonable rules and regulations to carry out the provisions of this act.

(b) *All rules and regulations of the state board of education pertaining to functions of the driver's training school license act in existence on July 1, 2022, shall continue to be effective and shall be deemed to be duly adopted rules and regulations of the secretary of revenue until revised, amended, revoked or nullified pursuant to law.*

(c) *All orders and directives of the state department of education pertaining to functions of the driver's training school license act on July 1, 2022, shall continue to be effective and shall be deemed to be orders and directives of the department until revised, amended or nullified by the state director of vehicles.*

Sec. 10. K.S.A. 8-279 is hereby amended to read as follows: 8-279. The ~~state board~~ department may cancel, suspend, revoke or refuse to renew any driver's training school or driver's training instructor license *if any of the following occurs:*

(a) ~~When the state board~~ *The department* is satisfied that the licensee fails to meet the requirements to receive or hold a license under this act.;

(b) ~~Whenever~~ the licensee fails to keep the records required herein.;

(c) ~~Whenever~~ the licensee permits fraud or engages in fraudulent practices either with reference to the applicant or the ~~state board department~~, or induces or countenances fraud or fraudulent practices on the part of any applicant for a driver's license or permit.;

(d) ~~Whenever~~ the licensee fails to comply with any provision of this act or any of the rules and regulations of the ~~state board department~~ made pursuant thereto.;

(e) ~~Whenever~~ the licensee represents ~~himself or herself~~ *such licensee* as an agent or employee of the ~~state board department~~ or license examiners or uses advertising designed to lead or which would reasonably have the effect of leading persons to believe that such licensee is in fact an employee or representative of the ~~state board department~~ or license examiners.;

(f) ~~Whenever~~ the licensee or any employee or agent of the licensee solicits driver training or instruction in an office of any department of the state having to do with the administration of any law relating to motor vehicles.;

or

(g) ~~Whenever~~ the licensee has had ~~his or her~~ *their* operator's or chauffeur's license canceled, suspended or revoked.

Sec. 11. K.S.A. 8-280 is hereby amended to read as follows: 8-280. (a) *There is hereby created in the state treasury the commercial driver education fund. The commercial driver education fund shall be administered by the department of revenue. All expenditures from the commercial driver education fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of revenue.*

(b) All moneys received under this act shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215,

and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the ~~state safety fund created by K.S.A. 8-267, and amendments thereto~~ *commercial driver education fund*.

Sec. 12. K.S.A. 2021 Supp. 8-2708 is hereby amended to read as follows: 8-2708.—~~On January 1, 2016, and thereafter,~~ (a) A transportation network company driver or vehicle owner or transportation network company on the driver's behalf shall maintain primary automobile insurance that:

~~(a)~~—recognizes that the driver is a transportation network company driver and covers the driver while the driver is logged on to the transportation network company's digital network, while the driver is engaged in a prearranged ride or while the driver otherwise uses a vehicle to transport passengers for compensation.

(b) (1) The following automobile insurance requirements shall apply while a participating transportation network company driver is logged on to the transportation network company's digital network and is available to receive transportation requests but is not engaged in a prearranged ride:

(A) Primary automobile liability insurance in the amount of at least \$50,000 for death and bodily injury per person, \$100,000 for death and bodily injury per incident, and \$25,000 for property damage; and

(B) primary automobile liability insurance that meets the minimum coverage requirements where required by K.S.A. 40-284 and 40-3107(f), and amendments thereto.

(2) The coverage requirements of this subsection (b) may be satisfied by any of the following:

(A) Automobile insurance maintained by the transportation network company driver or vehicle owner;

(B) automobile insurance maintained by the transportation network company; or

(C) any combination of subparagraphs (A) and (B).

(c) (1) The following automobile insurance requirements shall apply while a transportation network company driver is engaged in a prearranged ride:

(A) Primary automobile liability insurance that provides at least \$1,000,000 for death, bodily injury and property damage; *and*

(B) primary automobile liability insurance that meets the minimum coverage requirements where required by K.S.A. 40-284 and 40-3107(f), and amendments thereto.

(2) The coverage requirements of this subsection (c) may be satisfied by any of the following:

(A) Automobile insurance maintained by the transportation network company driver or vehicle owner;

(B) automobile insurance maintained by the transportation network company; or

(C) any combination of subparagraphs (A) and (B).

(d) If insurance maintained by the driver or vehicle owner in subsection (b) or (c) has lapsed or does not provide the required coverage, insurance maintained by a transportation network company shall provide the coverage required by this section beginning with the first dollar of a claim and shall have the duty to defend such claim.

(e) Coverage under an automobile insurance policy maintained by the transportation network company shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

(f) A transportation network company that contracts with the board of education of a school district to provide transportation

services pursuant to section 1, and amendments thereto, shall name such school district as an additional insured party on such transportation networks company's automobile insurance policy.

~~(f)~~(g) Insurance required by this section may be placed with an insurer licensed under K.S.A. 40-208 or 40-209, and amendments thereto, or with a surplus lines insurer eligible under K.S.A. 40-246b, and amendments thereto.

~~(g)~~(h) Insurance satisfying the requirements of this section shall be deemed to satisfy the financial responsibility requirement for a personal vehicle under the Kansas automobile injury reparations act, K.S.A. 40-3101 et seq., and amendments thereto.

~~(h)~~(i) A transportation network company driver shall carry proof of coverage satisfying subsections (b) and (c) with such driver at all times during such driver's use of a vehicle in connection with a transportation network company's digital network. In the event of an accident, a transportation network company driver shall provide this insurance coverage information to the directly interested parties, automobile insurers and investigating police officers, upon request pursuant to K.S.A. 8-173, and amendments thereto. Upon such request, a transportation network company driver shall also disclose to directly interested parties, automobile insurers and investigating police officers, whether such driver was logged on to the transportation network company's digital network or on a prearranged ride at the time of an accident.

Sec. 13. K.S.A. 8-273, 8-274, 8-275, 8-276, 8-277, 8-278, 8-279 and 8-280 and K.S.A. 2021 Supp. 8-267, 8-272 and 8-2708 are hereby repealed.

Sec. 14. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE adopted

Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE

as amended _____

HOUSE adopted

Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.