

STATE AFFAIRS COMMITTEE  
January 31, 1962

The State Affairs Committee met immediately after adjournment in the afternoon. The Chairman called the meeting to order and stated that consideration would be given to Senate Bill No. 27.

Rep. Bob Brown appeared in opposition to the Prairie National Park. Mr. Dave Carlson of Manhattan, Chairman, Twin Mound Ranchers, spoke, telling of the value of the area to the residents and to the economy of the state. Mr. John McCoy of Manhattan, not as a representative of the University, but as a private citizen, appeared to give an analysis of the consequences of the Prairie National Park as prepared by a research committee of the Twin Valley Ranchers, copy of which is attached. Mr. Ford inquired if anyone living in the area approved of the park and Mr. Carlson gave a detailed answer referring to a map, showing that 85% of the people in the area signed a petition opposing it. Mr. Carlson is a member of the Pottawatomie Planning Board, and explained developments and proposed developments in the area. Mr. Baringer inquired if these people are long-time residents or if they bought the land recently, and it was established that a good many of them had bought it for the Tuttle Creek development speculation. Mr. Behee inquired if the Tuttle Creek area had turned out as the Corps of Engineers promised, and Mr. Karl Moher, displaced by the Tuttle Creek development, replied that he didn't get just compensation for his land and that he had bought other property in the area at a loss. Mr. Ford inquired if Tuttle Creek wasn't primarily a flood control project, and Mr. Moher replied that it was, but that in the Prairie Park matter the prairie was not vanishing, but in fact becoming better than ever. An effort was made to determine an estimate of tourist traffic as a result, but this wasn't possible. Mr. Moxley, a cattleman, spoke in opposition to the measure, giving specific examples of the need of the land for livestock. He states that this grassland is just as good and perhaps better than ever before; that it has stabilized the livestock industry of Kansas and that we cannot afford to lose it. Mr. Bisbee inquired what they could see at such a park that they couldn't see on the Turnpike, and Mr. Moxley stated there would be nothing more; that in fact the proposed area is not the true flint hills at all. In all, eight men and women appeared in opposition to the measure; also Representative Brown and Senator Bauman.

Meeting was adjourned to reconvene at 9:00 on February 1st.

February 1, 1962

The meeting was called to order, with all members present except Mr. Gardner, Mr. Johnson and Mr. Mikesic. The Chairman introduced Mr. Don Joseph, Representative, who appeared in favor of Senate Bill No. 27.

Mr. Joseph stated that he is a member of the Committee appointed for the Prairie National Park. He stated that he is in favor of this; that he thinks it will be for the good of the State; that always when something new is proposed, urban renewal, flood control, etc. that there is opposition because some individuals are going to be hurt, but that it must be considered in the over-all picture. He quoted examples of hindsight and mentioned statements made by Mr. Udahl. He stated that he believes it will contribute to the growth of the small towns nearby; Wamego, Westmoreland, etc.; that the motel business, etc. should really boom. Mr. Joseph stated that several other areas had been considered and turned down, and if the state does not consider this favorably, in all probability the park will be established in Oklahoma, which is not as attractive area, and would also keep this federal money out of Kansas. He states that he knows of only one instance where the federal government has stood the full purchase price of land to be secured for national parks; that already gifts have come in, necessitating incorporating and holding the funds in trust; and that this measure proposes the additional \$100,000 from Kansas.

Several members of the Committee made inquiries of Mr. Joseph who apologized for not being adequately prepared, having only a few minutes notice before meeting time. It was not established just how many of the estimated 106 families to be displaced were tenants but it was estimated to run at least 50%. It was pointed out that much of this land is owned by non-resident people.

Mr. Baringer made a plea in favor of the measure, reiterating much of what Mr. Joseph had said, and pointing out that these people will be adequately compensated; that the appraisers are not permitted to consider the sentimental reasons and that for these kind of damages the owner may go to Court and always gets adequate compensation; that the over-all good must be considered, rather than just a few people.

Thereupon, Mr. Behee moved that the measure be passed out favorably. Mr. Doyen made a substitute motion that the bill be amended on page three, taking out the \$100,000.00, and changing the total to \$350,000.51. The substitute motion was seconded by Mr. Marshall, and upon vote, carried by a vote of 12 to 4. Thereupon Mr. Doyen moved and Mr. Ford seconded the motion that the bill be passed out favorably, as amended. Motion carried.

Senate Bill 31 was then considered. The Chairman stated that it provided for additional funds for the remodeling of the reception and diagnostic center. After due discussion by the Committee it was moved by Mr. Fribley and seconded by Mr. Ford that this measure be recommended favorably. Motion carried.

Meeting was adjourned until 2:00 P.M., at which time HCR 23 will be considered.

AN ECONOMIC ANALYSIS OF THE CONSEQUENCES  
OF THE PRAIRIE NATIONAL PARK

Recent ballyhoo of the estimated economic impact of the proposed Prairie National Park is one of the wildest selling jobs that has ever hit Kansas. People laugh at the old gag of selling the Brooklyn bridge. Perhaps some could laugh at selling the prairie park idea if it were not for the fact that human beings are involved.

The analysis which purports to show the economic impact is deficient in at least three respects (1) it appears to grossly overestimate tourist expenditures (2) it gives no credit for business generated from agriculture within the proposed park area which would be lost if the park were authorized, and (3) it gives no credit for the potential business-generating capability of the reservoir area that would be blocked out if the park were authorized. The net result is a completely erroneous picture.

Tourist expenditures as estimated in the report are based on a simple model that requires an estimate of the number of visitors and expenditures per visitor. The product of these elements gives total tourist expenditures. This, in turn, is increased by a multiplier of 1.79 to give total business generated by tourist spending.

Many obvious questions arise from sources of data used and methods used in obtaining the estimated number of visitors and average expenditure per visitor. It was assumed that 8 percent of the vehicles passing on nearby highways will stop at a prairie park because this has been the average percentage that stopped at nine other park areas. No evidence is given of the range that went into the average of 8 percent. Some undoubtedly were less than 8 percent. What evidence exists that tourists will have a desire to leave a main highway bordered by miles and miles of prairie grass and drive out of their way to see more of the same thing? This simply is wishful thinking. The legislature should demand a scientific study on this point. There is no reason why it could not be done by a disinterested party.

A more specific question is raised with respect to expenditures per person and more particularly with that percentage of persons who were estimated to be overnight visitors. A note of clarification may be necessary for those who have not studied the report. Of the 1,152,144 estimated visitors, it is assumed that 75 percent, or 864,108, will stay in the park less than 4 hours, 20 percent, or 230,429, will stay in the park 4 to 8 hours; and remainder, or 57,607, will stay more than one day. No basis whatsoever is given in the report for these assumptions - apparently they were obtained from the National Park Service by the author of the report. How they were determined is anyone's guess. By the same hocus-pocus it apparently was assumed that 172,821 of the first group, 115,215 of the second group and all 57,607 of the third group, or a total of 345,643 would require overnight lodging. Then it was assumed that these persons would spend an equivalent of the average of visitors to Teton County, Wyoming, and the Great Smoky Mountain National Park, North Carolina. This turned out to be an average of \$13.36 per person per stay (not per day). By what stretch of the imagination does prairie grass compare to these areas? Furthermore, the average length of stay in these areas was indicated to be from 2 to 2½ days, as nearly as can be determined by data in the report. Why would the 172,821 persons, who were classed as less than 4 hour - overnight visitors and the 115,215 classed as 4 to 8 hour - overnight visitors stay in the vicinity 2 or 2½ days? Beyond that, by what reasoning would the remaining 57,607 persons, classed as more than 1 day visitors, stay in the vicinity any longer than the average stay of 1.3 days at Grand Canyon National Park, 1.8 days at Glacier National Park or 1.2 days at Crater Lake National Park as reported elsewhere? When this is taken into consideration, estimated tourist expenditures would be in the neighborhood of only slightly more than one-half of that indicated in the report--even if one were naive enough to assume the estimated number of visitors were correct.

The report gave no credit for the economic importance of farm-generated business that would be knocked out with the authorization of a prairie park. The determination of this factor could be an involved procedure. More than 57,000 acres would be affected as a considerable proportion of the pasture is an integral part of farm units, the cropland of which is outside the area. However, for simplification, it might be considered that the 57,000 acres would carry about 11,000 cows. A calf crop of 10,000 would be conservative. Considering that one-tenth of the cattle in the area are reputation purebred herds, this would represent an annual gross of about \$1,375,000. It might be argued that the entire value of the calves should not be attributed to pasture, or that other types of cattle programs could be substituted that do not require grass. However, most of the ranchers declare that their set-ups are adapted only to cow-calf programs and that if the grass is lost, they will be forced out of the cattle business entirely. In this case grass is the controlling factor. Ranchers and farmers spend their gross proceeds in the community and state and these induce additional expenditures just as surely as tourist expenditures. Applying the same multiplier of 1.79, as used on tourist expenditures,

it would result in a business-generating total of \$2,461,250. This in itself is a substantial figure. It should not be forgotten that the cattle industry is one of the greatest stabilizing factors in the economy of the state as was well demonstrated in past years of depression. The same cannot be said of the tourist business.

The third serious deficiency of the report on the economic impact of the Prairie National Park is the omission of any allowance for business-generating potential in the shoreline area of Tuttle Creek reservoir that would be blocked out by the proposed prairie park.

The Pottawatomie County Planning Board has determined that 5,000 highly desirable lots, of one acre each, are available for development. In addition 1,500 to 2,000 less desirable lots could be developed. The Planning Board already has approved 5 residential areas ranging in size from 50 to 300 lots each. Plans for 2 commercial developments have been approved. Numerous inquiries have been received from other developers, who would go ahead if it were not for the prairie park threat and lack of access roads arising from failure of the Army Corps of Engineers to carry out their road contract with Pottawatomie County. Practically all of the plans to date call for year-round, permanent residences.

No data are available to determine the rate at which this area would be developed. It is well known that the most desirable lots of the entire reservoir shoreline lie within the proposed park boundaries. Interest is high and the initial rate of development unquestionably would be high. Several homes already have been built where access could be obtained. Mr. J. J. Vanier has indicated that he will proceed immediately with construction of his 300 home unit which includes also a country club, swimming pool, golf course and airport.

To get an estimate of the potential business generating capability of development in this area an analysis was made of Manhattan data as published by Sales Management, the Magazine of Marketing. This was based on 1960 data. The estimates are conservative because the type of persons who are expected to purchase homes in the reservoir area probably will be above the Manhattan average in income and expenditures. Estimates of effective buying power, retail sales, and number of retail outlets are shown in the following table:

Number of Households	Est. Effective Buying Power	Est. Retail Sales <sup>1</sup>	Est. No. of Retail Outlets <sup>1</sup>
1,000	\$ 6,476,000	\$ 5,266,000	37
2,000	12,952,000	10,532,000	74
3,000	19,428,000	15,798,000	111
4,000	25,904,000	21,064,000	148
5,000	32,380,000	26,330,000	185

<sup>1</sup>Breakdown by major expenditure groups e.g. food, eating and drinking places, general merchandise, apparel, furniture and household appliances, automotive, gas stations, lumber, building and hardware, drugs and other are available upon request for those who may be interested.

These are impressive figures, but in addition the retail expenditures will in turn induce other business and service expenditures which would make the above figures even more impressive.

Keep in mind that the prairie park would destroy two major sources of private enterprise revenue, farming and shoreline development. Even if only 2,000 of the potential households were established, the business generated would about equal the overly optimistic estimated tourist-generated business publicized by the proponents of the Prairie National Park. When the farm business generated income is added, tourist-generated business would be far exceeded. Far from being only a prairie park dream, private enterprise already has committed itself to approximately 500 homes. This alone would generate more than one-fourth of the overly optimistic total estimated tourist business from a fully developed park. From the standpoint of Pottawatomie County's tax structure, development in the reservoir area would add roughly \$300,000 if 2,000 homes were built and \$750,000 if 5,000 homes were built. Personal property taxes would increase this significantly. While tax needs would go up at the same time, development would add stability to the tax structure.

Another factor apparently overlooked, is the fact that the proposed prairie park would eliminate two state parks on the shore of the reservoir. These state parks were authorized by the last session of the Kansas legislature.

Prepared by

Research Committee

Twin Mound Ranchers

# SENATE BILL No. 31

By COMMITTEE ON WAYS AND MEANS

AN ACT making appropriations for the fiscal year 1962 for the operation, maintenance, support and functioning of activities of the state school retirement board, state brand commissioner, state industrial reformatory, director of penal institutions, Kansas state reception and diagnostic center, state historical society, and the state park and resources authority; authorizing the fixing of salaries, restricting the expenditure of certain funds and authorizing appeals connected therewith; and reappropriating unencumbered balances as of June 30, 1961, for the fiscal year ending June 30, 1962; and transferring the unencumbered balances in the centennial special revenue fund and the centennial gift fund to the general revenue fund.

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

## PART I—STATE GENERAL REVENUE FUND APPROPRIATIONS

SECTION 1. There is hereby appropriated out of the state 2 general revenue fund of the state of Kansas for the fiscal year 3 ending June 30, 1962, the sums as set forth in section 2 to section 4 5, both inclusive, of this act, for the operation, maintenance, 5 support and functioning of the following officers, employees, 6 departments, boards, commissions, institutions, agencies and 7 other activities of the state government of the state of Kansas.

SEC. 2. To the

### 379 STATE INDUSTRIAL REFORMATORY

*Remodel no. 1 cellhouse* ..... \$41,608  
(Also see section 16)

SEC. 3. To the

### 394 KANSAS STATE RECEPTION AND DIAGNOSTIC CENTER

*Completion of remodeling and construction of reception and diagnostic center* ..... \$44,000

SEC. 4. To the

475

STATE HISTORICAL SOCIETY

Install new elevator and enclose hatchways—memorial building . . . \$2,000

SEC. 5. To the

489

STATE PARK AND RESOURCES AUTHORITY

Kanopolis lake—salaries and wages and operating expenses . . . . . \$10,715

Fall river and Toronto lakes—salaries and wages and operating expenses . . . . . 11,446

Total . . . . . \$22,161

(Also see sections 6 and 17)

TOTAL—General Revenue Fund . . . . . \$109,769

PART II—AUTHORITY TO MAKE EXPENDITURES FROM REAPPROPRIATED BALANCES OF THE GENERAL REVENUE FUND

SEC. 6. The state park and resources authority is hereby authorized to make expenditures for fiscal year 1962 from appropriated balances of accounts of the general revenue fund as set forth in section 7 to section 9, both inclusive, of this act.

489 SEC. 7. The expenditures limitation established by section 2 7, chapter 38, laws of Kansas, 1961, on the account “Kanopolis 3 lake—salaries and wages and operating expenses” of the general revenue fund of the state park and resources authority is 5 hereby increased from \$0 to \$387.

(Also see section 5)

489 SEC. 8. The expenditures limitation established by section 2 7, chapter 38, laws of Kansas, 1961, on the account “Fall river 3 and Toronto lakes—salaries and wages and operating expenses” 4 of the general revenue fund of the state park and resources authority is hereby increased from \$0 to \$2,284.

(Also see section 5)

489 SEC. 9. The expenditures limitation established by section 2 7, chapter 38, laws of Kansas, 1961, on the account “Kanopolis

3 lake—capital improvements” of the general revenue fund of  
4 the state park and resources authority is hereby increased from  
5 \$0 to \$7,086.

(Also see section 5)

PART III—SPECIAL REVENUE FUNDS APPROPRIATIONS

SEC. 10. There is hereby appropriated out of the following  
2 special revenue funds for the fiscal year ending June 30, 1962,  
3 all moneys now on deposit with the state treasurer to the credit  
4 of, or as may hereafter be collected by or for, to each of the  
5 following state agencies or activities of the state as set forth  
6 in section 11 to section 12, both inclusive of this act, as now  
7 provided by law or as may hereafter be provided by law to the  
8 extent actually collected and available to be used as provided  
9 by law, but not to exceed the amounts set forth in such sections.

SEC. 11. To the

372

STATE BRAND COMMISSIONER

County option brand fee fund . . . . . No limit

(Also see section 15)

SEC. 12. To the

384

DIRECTOR OF PENAL INSTITUTIONS

Prison industries equipment replacement fund . . . . . No limit

*Provided*, That an amount of not to exceed \$5,000 may be expended for the remodeling of barn No. 1 at the penitentiary for use as a prison industries warehouse.

PART IV—AUTHORITY TO MAKE EXPENDITURES FROM REAPPROPRIATED BALANCES OF CERTAIN SPECIAL REVENUE FUNDS

SEC. 13. The following named agencies are hereby authorized to make expenditures for fiscal year 1962 from reappropriated balances of certain special revenue funds as set forth in section 14 to section 17, both inclusive, of this act.

## SEC. 14. To the

## 352 STATE SCHOOL RETIREMENT BOARD

The expenditures limitation established by section 65, house bill No. 3, budget session of 1962, on the "school employees savings fund: for administration" account is hereby increased from \$80,433 to \$81,360.

## SEC. 15. To the

## 372 STATE BRAND COMMISSIONER

The expenditures limitation established by section 16, chapter 34, laws of Kansas, 1961, on the brand fee fund is hereby decreased from \$99,107 to \$35,632.

(Also see section 11)

## SEC. 16. To the

## 379 STATE INDUSTRIAL REFORMATORY

The expenditures limitation established by section 9, chapter 26, laws of Kansas, 1961, on the "general fees" fund is hereby increased from \$25,000 to \$30,000.

(Also see section 2)

## SEC. 17. To the

## 489 STATE PARK AND RESOURCES AUTHORITY

The expenditures limitation established by section 13, chapter 38, laws of Kansas, 1961, on the general fees fund—Fall river is hereby decreased from \$7,030 to \$0.

The expenditures limitation established by section 13, chapter 38, laws of Kansas, 1961, on the general fees fund—Toronto lake is hereby decreased from \$7,450 to \$0.

The expenditures limitation established by section 13, chapter 38, laws of Kansas, 1961, on the general fees fund—Kanopolis lake is hereby decreased from \$20,458 to \$6,375.

(Also see sections 5 and 6)

## PART V—TRANSFERS

469 SEC. 18. On March 1, 1962, the state controller is hereby  
2 authorized and directed to transfer the unencumbered balances  
3 in the centennial special revenue fund and the centennial gift  
4 fund of the Kansas centennial commission to the state general  
5 revenue fund. On making such transfers, the state controller  
6 shall notify the state treasurer and the executive secretary of  
7 the Kansas centennial commission of such transfers and said  
8 officers shall make the proper entries in the records of their re-  
9 spective offices showing such transfers.



PART VI—MISCELLANEOUS

SEC. 19. The state controller is hereby authorized and directed to draw his warrants upon the state treasurer for the several sums and purposes specified in this act and against funds appropriated to each of the agencies, respectively, as named in this act, upon duly itemized vouchers executed as now, or as may hereafter be, provided by law, filed in his office and approved by the administrative heads of the respective institutions or agents designated by them.

SEC. 20. This act shall take effect and be in force from and after its publication in the official state paper.