

ROADS AND HIGHWAYS COMMITTEE MEETING -- FEBRUARY 24, 1971

The Roads and Highways Committee met in room 535 at 2:45 P. M. February 24, 1971. Chairman Dierdorff called the meeting to order and all members were present except Representatives Bush, Davis, Dempsey and Wingert.

Conferees on House Bill 1245 were Representative Arden Dierdorff, proponent, and R. L. Peyton, Assistant Highway Director.

Guests present were: H. B. Lizzard, Topeka, Central States Construction Magazine; Ray Lindberg, Topeka, Kansas Motor Carriers Association; Representatives of State Highway Department - R. D. Plummer, Controller, J. D. McNeal, Engineer, Joe Poizner, Attorney, R. L. Peyton, Assistant Highway Director; Clarence Rupp, Manhattan, Kansas Farm Bureau; Glen Coulter, Topeka, Kansas Consulting Engineers.

HOUSE BILL 1245 - AN ACT providing for the issuance of highway bonds of the state of Kansas payable from revenues accruing to the state highway fund for financing the construction, improvement and reconstruction of highway projects in the state; prescribing the powers, authority duties and jurisdiction of the state highway commission; providing that no debt of the state shall be incurred in the exercise of any such powers; exempting from taxes such bonds and any interest thereon and profits from the sale thereof; authorizing the issuance of highway refunding bonds and highway bond anticipation notes and providing for the rights and remedies of the holders of bonds issued under the provisions of this act; distribution of certain moneys for roads and highways; amending KSA 1970 Supp. 79-3425, 79-3487 and 79-34,104 and repealing the existing sections; also repealing KSA 1970 Supp. 68-2301.

Mr. Dierdorff gave the committee the background on why this bill was introduced. He said that a sub-committee of the Senate Transportation and Utilities Committee made a study last summer on bond financing for highways. He sat in on these meetings. It was decided by the Senate sub-committee that the only way we could accelerate the highway program was through a bond program.

He said that he had never worked with a finer young man than Senator Owen and that they discussed what should be in the bill and were pretty much in agreement until some of the other Senators wanted changes that he could not go along with so he introduced this bill. He said that House Bill 1245 is a hybrid bill -- that in 1968 Senate Bill 654 was introduced and it was thought to be a good bill but it was vetoed. In 1969 the legislature passed Senate Bill 28 and the Governor vetoed it also. Senate Bill 153 was amended and passed and the Governor vetoed it also but the legislature over-rode the veto. This bill established the freeway system. See attached map, exhibit 1.

Mr. Dierdorff explained House Bill 1245 and said that it takes the freeways out of the statute books, provides for bonding and puts the authority back with the Highway Commission.

Mr. Peyton said that the highway business is in a very complex position and it is changing rapidly. He said he has information today that he did not have last week before attending a meeting in Denver to be briefed on the federal highway act and also on revenue sharing.

Mr. Peyton said they have suspended all federal lettings

scheduled for Thursday because of the President's action today to suspend provisions of the Davis-Bacon Act which requires contractors to pay their workers prevailing wage rates on federal construction projects.

He said if the highway fund is going to be used as a credit guarantee in the future there would have to be some careful considerations.

The thing that concerns the commission is that there are two bills drawn and another being drawn that will limit funds from the Highway Commission. Another concern is the revenue sharing proposal of the administration. Bids on projects involving federal aid will be held and not opened. They will be reconsidered in bid openings the commission has set for either March or April. The presidential order probably will cause the State Highway Commission to refigure the prevailing wage rates required by state law.

In connection with the bill today, due to the letting time and cost, the effect of this bonding program would accelerate the present program. They have looked at the bill carefully and think they could operate very well under it.

Mr. Peyton showed a large color-coded map which showed in red the recommendations of the Jorgensen study - green, showing the freeways in 1964 and 1,280 miles - yellow, the '67 and '68 program - blue, the present system. Prior to '69 legislation, the commission was spending 40% on the yellow lines and 60% on other elements of the highway system. '69 legislation revised this with 1/3 going on the other 7,000 and the rest on the freeways.

Mr. Dierdorff asked if we go into a bonding program, how much letting time would be necessary?

Mr. Peyton said it would be three to four years. With the federal revenue sharing they do not know what their capabilities would be.

Mr. Poisner said the President has indicated no state would get less money than today, but the highway fund could be cut down so there is nothing definite yet. As they said in Denver, one fund could be cut.

Mr. Ratner said as he understands, the Commission had its own policy on freeways. When the '69 legislature passed the corridor and freeway bill, one reason it has taken time is that it had to regroup. You are more or less going that direction now. If we pass something now, won't there be another delay to regroup again?

Mr. Peyton said that he doesn't think so because the other program depended on investments. They would not lose anything that they have now. Five, six, seven years in the future would change but not the next three or four years.

Mr. Peyton said that the cost per mile has increased 100% since 1960. They added 20% in their program estimates for 1970 and 1971, 15% for 1971-1972, 10% for three years after that. All the indications are that those were conservative estimates.

Mr. Hayes asked if they had 300 million dollars available could they complete the freeway system faster?

Mr. Peyton said they could work on it faster but about four times that would be needed to complete it.


If the state were to decide to improve the entire 10,000 miles to standard it would take about three billion dollars at current prices. This much money could be spent in one year.

The chairman announced that continuation of the hearing would be Thursday, February 25, 1971 when the opponents of the bill would be heard.

The meeting was adjourned.

Fran Stafford, Recording Secretary

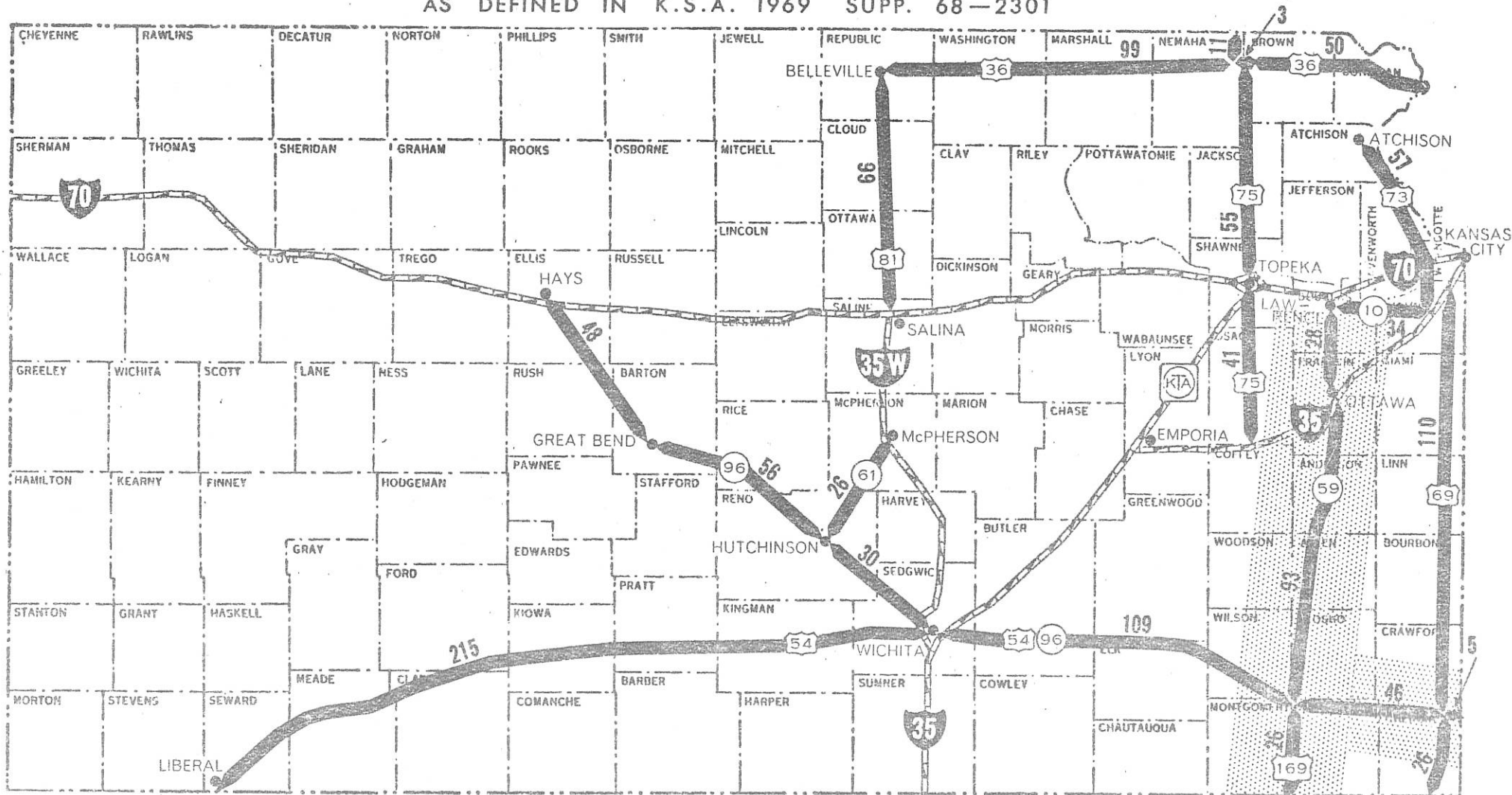
APPROVED:

  
ARDEN DIERDORFF, CHAIRMAN

February 25, 1971

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## EXPRESS HIGHWAYS AND FREEWAYS AS DEFINED IN K.S.A. 1969 SUPP. 68-2301



- Corridor No. 1 Kansas-Oklahoma line southwest of Liberal east to Kansas-Missouri border. 375 Miles.
- Corridor No. 2 Hays southeasterly to Wichita. 134 Miles.
- Corridor No. 3 Hutchinson Northeasterly to McPherson. 26 Miles.
- Corridor No. 4 US-75 at the Kansas-Nebraska border southerly to Interstate highway 35. 107 Miles.
- Corridor No. 5 US 36 at the Kansas-Missouri border westerly to intersection of US-36 and US-81, then southerly to interstate highway 70. 218 Miles.
- Corridor No. 6 Atchison southerly to Olatha. 57 Miles.
- Corridor No. 7 The intersection of US-69 and interstate 435 southerly to the Kansas-Oklahoma border. 136 Miles.
- Corridor No. 8 Lawrence southerly to the Kansas-Oklahoma border. 147 Miles.
- Corridor No. 9 Lawrence easterly to intersection of highway US-50, US-56 and interstate 35. 34 Miles.

Total Miles of express and freeway highways 1234.

