

M I N U T E S

SPECIAL COMMITTEE ON SELECTED STUDIES - HOUSE

November 12, 1976
Room 527 - State House

Members Present

Representative Lynn Whiteside, Chairman
Representative Pascal Roniger, Vice-Chairman
Representative Wayne Gilbert
Representative Mike Glover
Representative Rex Hoy
Representative Jim Lowther
Representative Donald Mainey
Representative Bill Reardon
Representative Frank Smith
Representative Robert Whittaker

Staff Present

Myrta Anderson, Kansas Legislative Research Department
Ramon Powers, Kansas Legislative Research Department
Donald L. Jacka, Jr., Kansas Legislative Research Department
Mary Ann Torrence, Revisor of Statutes Office

Conferees and Others Present

Tom Pitner, Department of Administration, Topeka
Dick McRavey, League of Kansas Municipalities, Topeka
Kenneth Glover, Mid-State Regional Planning Commission, McPherson
Walt Plosila, State Planning and Research, Mills Building
Gerald Cooper, Greater Southwest Regional Planning Commission, Garden City
Dennis Foltz, CGI Association of Local Government, Pratt

Chairman Whiteside called the meeting to order at 9:00 a.m. He stated that the first order of business would be consideration of the final report and legislation on Proposal No. 57, Value Engineering. He called on Ramon Powers of the Kansas Legislative Research Department to summarize the final report on Value Engineering. (Attachment I.) Mr. Powers then reviewed the final report on Value Engineering. After Committee discussion of the final report, the motion was made and seconded to accept the final Committee report. Motion carried.

Mary Torrence of the Revisor's Office then reviewed the draft legislation on Value Engineering. (See Attachment II.) The motion was made and seconded to limit Section 1 (a) of the proposed legislation to the design phase of the contracts. The motion carried. The motion was then made and seconded to accept the draft legislation on Value Engineering, as amended. The motion carried.

Chairman Whiteside stated the next subject for discussion would be Proposal No. 59, Rural Revitalization and Related Urban Issues. Representative Whiteside called on Ramon Powers who then summarized the Committee's final report on Rural Revitalization and Related Urban Issues. (See Attachment III.) Committee discussion followed.

Mary Torrence reviewed the draft legislation providing for a joint committee on rural and community development. (See Attachment IV.) After Committee discussion, the motion was made and seconded to accept the draft legislation. Motion carried.

Mary Torrence then reviewed the draft legislation providing for the Division of Planning and Research of the Department of Administration to present to the Governor a plan for dividing the state into districts for the purpose of standardizing the administrative, planning and development district boundaries. (See Attachment V.) Mr. McRavey of the League of Kansas Municipalities stated that their organization would suggest that there should be some provision in the proposed legislation that if the Governor did not take the action of the proposed legislation, the Legislature could. Mr. Plosila of the Planning and Research Department stated that there is already provision for the action of the proposed legislation under the plan but they have not been able to get the plan adopted. He stated that under the Intergovernmental Cooperation Act the state district boundaries have to coincide with the federal boundaries and the boundaries do coincide with the exception of the Health Service Agencies. Also the boundaries set by the federal government for purposes of alcohol and drug abuse agencies and aging agencies are not the same as the state boundaries.

During the Committee discussion which followed it was suggested that the proposed legislation be amended to provide that the plan be subject to review by the Legislature. The draft legislation should provide that where possible the state agency jurisdictions should coincide with regional planning commission boundaries and, if not, follow the federal guidelines.

Mr. Dennis Foltz of Pratt stated that his board had met and reviewed the draft legislation and agreed with the principle of standardization of boundaries. He understood this included: boundaries of all administrative, development or planning districts of all state agencies, administrative districts of the various federal assistance programs within the state, multi-governmental unit planning or development areas designated or required by the various federal grant and loan assistance programs for areas or local governmental units within the state, and all multi-county planning agencies within the state.

Mr. Gerald Cooper of Garden City stated that this board had met and approved the concept proposed in the draft legislation. He stated the only agency that they currently had difficulty with, as far as boundaries were concerned, was the Aging Division of SRS.

Both Mr. Cooper and Mr. Foltz stated that they understood that it might take two years or longer to get the boundaries to coincide.

Representative Glover suggested that the Legislature should be given the authority to set the boundaries recommended by the Planning and Research Department.

After further Committee discussion, the motion was made and seconded to amend the proposed draft legislation to provide that upon receipt of the proposed plan, the Governor will, within 90 days, accept, review or modify the plan. Any plan implemented by the Governor will be subject to review by the Legislature. The motion carried with Representative Mike Glover requesting to be recorded as voting "no." The motion was made and seconded to accept the proposed draft legislation on standardization of administrative, planning and development district boundaries, as amended. Motion carried with Representative Mike Glover requesting to be recorded as "passing."

Mary Torrence then reviewed the draft legislation relating to metropolitan and regional planning commissions, amending K.S.A. 12-717 and 12-719. (See Attachment VI.)

Mr. McRavey suggested that this legislation be part of the appropriation bill because it included the formula for grants for the regional planning commissions.

Mr. Dennis Foltz, Pratt, said he had presented this proposed legislation to his board and the board approved it. He said he thought the formula for providing funds to regional planning commissions was a fair one. Mr. Gerald Cooper, Garden City, stated he had submitted the proposed legislation to his board and the board agreed that it was acceptable legislation. He said he thought the formula was basically an equitable one.

Mr. Kenneth Glover, McPherson, stated that he agreed with Mr. McRavey that the legislation would be better placed in an appropriation bill. He stated that he felt it was an equitable formula and said he did not think the proposed formula would change the distribution of funds substantially. Committee discussion followed. The motion was made and seconded to accept the proposed draft legislation relating to metropolitan and regional planning commissions, which included assigning community development authority to regional planning commissions and provided for a formula in allocating state funding to the regional planning commissions. (Attachment No. VI.) Motion carried.

Chairman Whiteside then called on Ramon Powers to review the section of the final report on Proposal No. 59 relating to solid waste management. (See Attachment III.) Committee discussion followed. The motion was made and seconded to accept the final report on Proposal No. 59 - Rural Revitalization and Related Urban Issues. Motion carried.

Mary Torrence then reviewed the proposed draft legislation on solid waste management. (See Attachment VII.) Committee discussion followed. The motion was made and seconded to accept New Section 3 of the proposed draft legislation. Motion carried. The motion was made and seconded to accept the entire proposed draft legislation. Motion carried.

A report by staff was given to the Committee on the progress of the subcommittee of the Advisory Committee to the Employment Security Council.

The motion was made and seconded to approve the minutes for the meeting of the Special House Committee for September 22 and 23 and October 12. Motion carried.

Chairman Whiteside then thanked the members of the Committee and staff for their services and cooperation during the interim. The meeting was then adjourned by Chairman Whiteside.

Prepared by Myrta Anderson

Approved by the Committee on:

12/1/76
Date

MEMORANDUM

Final copy
attached
11-12-76

August 17, 1976

TO: Special Committee on Selected Studies - House
FROM: Kansas Legislative Research Department
RE: Proposal No. 57 - Value Engineering

One of the proposals assigned to the Special Committee on Selected Studies - House was Proposal No. 57 - Value Engineering. This proposal directed the Committee to review current practices in value engineering or value management* to determine the applicability and desirability of the use of such concepts in the construction of state buildings and the purchase of state commodities.

Background

Prior to the 1976 Legislative Session, a value engineering feasibility study meeting was held consisting of state officials including senior personnel, representatives of the Legislative Research Department, the Revisor's Office, the Governor's Office, legislators, and representatives of the Society of American Value Engineers and the General Services Administration.

As a consequence of that meeting a bill was drafted and introduced to the 1976 Session that would apply value engineering to the State of Kansas (H.B. 2979). The bill contained the following.

1. Authorization for the contractor and subcontractor (with regard to all matters governed by contracts) to submit value engineering change proposals.
2. Procedural and substantive requirements for the preparation, development, and documentation for value engineering change proposals as required for the particular building construction project.

* Value Management is a comprehensive term that includes studies variously termed value engineering, value analysis, value improvement, and value control.

3. Requirement that copies of all value engineering change proposals and all supporting documents be submitted to the Director of Architectural Services and the Director of Purchases of the Department of Administration.
4. Requirement that, if a change order resulting from a value engineering change proposal is adopted for a building construction project, the change order will reduce the payments to the contractor or subcontractor by an amount equal to no more than one-half of the amount of the direct and immediate net savings resulting from the value engineering proposal. For example, if a value engineering change order would result in a cost savings of \$50,000, then the contractor or subcontractor would share in that savings in an amount up to \$25,000.

Under H.B. 2979 the Director of Architectural Services and the Director of Purchases would have been authorized to investigate the value engineering change proposals and report to the Secretary of Administration. If the Secretary determined that a savings of \$25,000 or more would result from a particular change order, it would have required the adoption of that change order. H.B. 2979 defined value engineering as:

The systematic and creative functional analysis of building construction project systems, specifications, standards, practices and procedures for the purpose of identifying and eliminating unnecessary costs by developing value engineering change proposals which satisfy required functions of such projects for the lowest cost in a manner consistent with requirements for performance, reliability, quality and maintainability.

Committee Study

In carrying out its charge, the Committee held four days of hearings on Proposal No. 57 and heard testimony from several professionals involved with value engineering and representatives from state agencies which would be most intimately involved if value engineering were adopted by the State of Kansas. The following individuals or organizations appeared before the Committee:

Paul E. Nixon, President, Wichita Chapter of Society for American Value Engineers
Hilton M. Kennedy, State Purchasing Division
Henry Knouft, State Purchasing Division
Tom Pitner, Attorney, Department of Administration
Bernard Wanner, Architectural Services, Department of Administration
Louis J. Krueger, State Architect
R. R. Biege, Jr., Kansas Department of Transportation
John D. McNeal, Kansas Department of Transportation
Jack Turner, Secretary, Kansas Department of Transportation
Thomas V. Tiedeman, Public Technology, Inc.
Dale Daucher, General Services Administration

It was pointed out, during Committee discussion, that programs for value engineering or value management may take several forms. Value studies are team efforts that may be conducted in-house under a program manager having value engineering or value management experience. Consultants may be utilized to conduct value studies on their own or as leaders for an in-house value study team. Value service clauses may be inserted in system design, architect/engineer, or construction manager contracts to require firms to conduct value studies on such designs for a fixed fee. Finally, value incentive clauses in large-order procurement contracts provide contractors with financial incentives to suggest cost-saving contract modifications. These value engineering or management approaches can be used individually or in combination.

In order to implement value engineering a study team is formed and perhaps divided into subgroups. All available relevant data on the subject are assembled. The team then defines the study subject in terms of the functions which it performs. Costs and worth figures are assigned to each function. The original function is carefully considered from various points of view and alternative methods for performing the function are conceived and evaluated. Evaluation is based on having a low cost-to-worth ratio. For this purpose a set of standardized items to accomplish the function, complete with impact predictions are developed.

The Committee reviewed the literature on the subject and discussed the experience with value engineering in the states of Minnesota and Pennsylvania. In Pennsylvania value engineering is implemented through the Department of Administration. The state appropriated \$20,000 for a study; according to one authority, it was the best investment ever made by the State of Pennsylvania.

Testimony from conferees indicated that a form of value engineering was already being implemented on an "in-house basis" in some state agencies in Kansas. These value engineering procedures involved improving performance, quality, maintainability, and reliability of products or services. Substantial savings to the state had been realized from these value engineering procedures, the Committee was told.

Extensive testimony was given by a representative of Public Technology, Inc., and a representative of the General Services Administration, both of Washington, D.C., on the applicability of value engineering or value management to state and local government. Project areas undertaken by Public Technology, Inc. have included building technology, environmental management, municipal information systems, program evaluation, remote sensing, criminal justice, fire service equipment and planning, energy conservation, building regulation and other areas.

Several of the applications of value engineering or value management in the public sector were reported to result in a return on investment ratios of eight to one and above. Value engineering studies conducted during a project's design phase appear to be the most

frequent and most successful application of value engineering or value management. Use of value incentive clauses was less common.

Three major approaches used to implement value engineering during a project's design phase are as follows:

1. The project architects and engineers are paid a separate fee to conduct value engineering studies since they must perform additional services not part of the standard contract.
2. A value engineering or management specialist is commissioned by the jurisdiction as a consultant to perform the necessary studies.
3. The jurisdiction devotes specific in-house resources to conduct value engineering studies.

During Committee testimony it was stressed that a value engineering program should be designed to avoid unnecessary litigation. Also, a value engineering program should seek to reduce costs, but not at a sacrifice to facility quality, aesthetics, or maintainability. Value engineering studies have also demonstrated that life-cycle cost savings -- savings which have accrued over an extended period of time -- can be just as important as initial cost savings. Similarly, initial cost savings which cause the state to incur substantial long-term or life-cycle cost increases should not be encouraged.

Committee Conclusions and Recommendations

The Committee recommends that the Legislature, during the 1977 Legislative Session, appropriate up to \$40,000 to hire value engineering consultants to apply value engineering or value management techniques to state government. These consultants would be selected by the Secretary of Administration and hired by the Division of Purchases. They would report to the Secretary of Administration on value engineering projects. The consultants would hold workshops and give training seminars to state agency personnel. Following the seminar, consultants would be retained to direct selected value engineering test projects. Such projects should be selected so as to provide a range of state purchases and expenditures which would explore the feasibility of applying value engineering principles to state government (i.e. in large construction projects to small purchases). The Committee recognizes that the greatest savings derived from the application of value engineering occur at or during the design phase.

*The bill draft for H.B. _____ to implement
these recommendations accompanies this report.*

11-12-76

PROPOSED BILL NO. _____

By Special Committee on Selected Studies

Re: Proposal No. 57

AN ACT concerning the use of value engineering in state government; authorizing certain contracts relating thereto.

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

Section 1. (a) Subject to the provisions of K.S.A. 1976 Supp. 75-3739, the director of the division of purchases of the department of administration is hereby authorized and directed to enter into contracts, in fiscal year 1978 for value engineering consultant services for one or more capital improvement projects of the state and for training of state personnel in the principles and application of value engineering. The selection of the projects and training programs for which such services are contracted shall be subject to the approval of the secretary of administration, and not more than forty thousand dollars (\$40,000) shall be expended in fiscal year 1978 for such services.

(b) The secretary of administration shall submit to the legislative coordinating council on or before December 1, 1978, a report on the results of the use of value engineering consultant services pursuant to subsection (a) of this section. Such report shall include any recommendations which the secretary may have regarding further implementation of value engineering principles in state government. The legislative coordinating council shall transmit the secretary's report and recommendations to the legislature.

(c) As used in this section, "value engineering" means the management discipline concerned with the elimination or modification of anything which contributes to the cost of a contract item or task but is not necessary in order to maintain acceptable

standards of performance, quality, maintainability, reliability or interchangeability.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

COMMITTEE REPORT

Attachment D
11-12-76

TO: Legislative Coordinating Council
FROM: Special Committee on Selected Studies - House
SUBJECT: Proposal No. 59 - Rural Revitalization

As directed by Proposal No. 59, the Special Committee on Selected Studies - House was charged with a study of plans, procedures, and endeavors which might be followed in order to provide the development of business, commerce, and industry in rural areas of Kansas and related urban issues.

After initiating a study of Proposal No. 59, the Committee requested and received authority to expand the scope of its study to include "rural revitalization and related urban issues." Because the Committee addresses rural revitalization separately from its study of related urban issues, these two portions of this proposal will be separated in the Committee's presentation of its report on Proposal No. 59. The Committee's recommendations on rural revitalization will precede its recommendations on a related urban issue -- industrial waste disposal.

Background and Committee Activities

This proposal is, in part, the result of S.C.R. 1639 which was introduced during the 1976 Legislative Session. That resolution contained a directive that a special committee of the Legislature be appointed to study the practices which could be followed to promote the development of business, commerce, and industry in the rural areas of the state. S.C.R. 1639 was passed by the Senate but remained on the Calendar of the House until the Legislature adjourned.

In its study of Proposal No. 59, the Committee reviewed various reports concerning non-metropolitan population growth, policies on rural-urban balance, the problems of attracting industry to small towns, and commentaries on the Rural Development Act of 1972. In addition to its study of those publications, the Committee heard testimony from representatives of federal and state agencies involved in rural and urban revitalization, regional planning and development commissions, and other interested parties. A brief review of the subject areas treated in testimony before the Committee follows.

Demographic Characteristics of Kansas. The initial issue which was reviewed by the Committee concerned the population trends of Kansas. In its review of this subject area, the Committee received expert testimony from a representative of the Population Research Laboratory at Kansas State University. The Committee was informed that between 1970 and 1975 the population of Kansas grew .8 percent, or a total of 18,000 persons. Although the population growth has been slight since 1970, the population is more uniformly distributed throughout the state now than during the 1960's. Significantly, a reversal is taking place in terms of the extremely high rates of rural area population decline of the 1960's. The representative of the Population Research Laboratory noted that many counties which lost population between 1960 and 1970 have substantially cut their rates of decline and in many cases have gained population.

In the southwest, southeast, and mid-central parts of the state, many rural counties which had experienced out-

migration for decades began to have an in-migration of population. Of the in-migration experienced in those rural areas, a large number of the immigrants were elderly persons. The population of persons over 65 years of age increased numerically and proportionally in all regions of the state. Young people have composed a smaller proportion of the population since 1970, while the age group of 18 to 44 years, increased dramatically between 1970 and 1975.

In a discussion of policy implications, the representative of the Population Research Laboratory suggested that the relatively slow and even distribution of population growth will mean a less intensive decline of the community. It was noted that the decline in the age group whose members are most likely to commit crimes will lessen demands for law enforcement services. The Committee was also told that the housing demand will continue but that housing will be needed for smaller families and single individuals in contrast to previous demand designs. With the increasing population of elderly persons in the rural areas, special housing for the elderly and an improved health care delivery system will be imperative.

There will be sizable fluctuation in elementary, high school, and college populations, decisions will have to be made on whether to close schools for economic reasons or to keep them open to maintain community viability.

Availability of natural resources, such as water, may be a problem in areas of increased population. The

creation of jobs will need to be considered as part of a development strategy. Development policy should consider such factors as cultural and environmental amenities, as well as the anticipation of a lower cost of living in non-metropolitan areas, when consideration is given to creating non-metropolitan jobs (i.e., rural industry).

Farmer's Home Administration. The various programs, federal and state, for encouraging rural revitalization were reviewed by the Committee. Of these programs, some of the most important are those administered by the Farmer's Home Administration, an agency of the United States Department of Agriculture.

Farmer's Home Administration is a rural credit agency which provides the resources available to assist people, communities, and lenders in the development of rural areas. This service began in 1935 with the Resettlement Administration and other predecessor programs. In 1946 the name was changed to Farmers Home Administration. At that time, the primary mission was to aid drought and economic stricken farmers. In 1949, other activities were authorized such as rural housing and water and facility loans. Throughout the years additional programs which would benefit rural people were given to FmHA to administer.

In 1972, Congress passed and the President signed a bill entitled the Rural Development Act of 1972. The Farmers Home Administration was given a primary role in implementing this act. Through prior authorities and the Rural Development

Act of 1972, the FmHA channels credit to farmers, rural residents, and communities. All of the programs administered by the FmHA provide supplemental credit to loan applicants if such credit is unavailable from commercial lending institutions. The agency's loan authorities provide a supplemental source of credit, thereby augmenting the efforts of private lenders rather than competing with them.

The Farmer's Home Administration provides farmers and rural people with several credit programs to help purchase or operate farms, to provide new employment and business opportunities, to enhance the environment, to acquire homes, and to upgrade the standard of living for all who wish to live in small towns and open country. Major purposes of FmHA's rural credit programs include:

1. Facilitating the family farm system which represents the economic and social base of many rural communities.
2. Expanding business and industry, increasing income and employment, and controlling or abating pollution.
3. Installing water and waste disposal systems and other community facilities that will help rural areas upgrade the quality of living and promote economic development and growth.
4. Providing and improving modest homes in suitable rural environments at prices and on terms that families of low or moderate income can afford.

Additional Information: Various Federal loan programs for rural inhabitants are also available through the

Small Business Administration. While most loans made by the SBA are to small businesses, under the Small Business Investment Act Amendments of 1958, loans can be made to community development companies. Through the community development companies, the rural areas of the state can benefit from SBA financing. To date, approximately 100 loans have been approved for community development in Kansas. In addition to the regular business loans and community development loans, the SBA has disaster relief programs available for physical damage, product disaster, displaced businesses, coal mine health and safety, consumer protection, occupational safety and health, strategic arms base closing, and other essential purposes.

Rural Development Service. The recently created Rural Development Service seeks to coordinate federal services available to rural areas for rural development. It has developed a computer information system -- the Federal Assistance Programs Retrieval System (FAPRS) -- which can provide information on rural development programs to local community leaders and officials. Based on a request, the computer will print out, by program name and number, all of the federally funded programs for which the communities are eligible. A computer terminal, tied into FAPRS, is located in the Cooperative Extension Service at Kansas State University.

Division of Cooperative Extension. The Division of Cooperative Extension Service, Kansas State University, has been

involved in the educating of rural people on matters relative to rural development. Through its base at Kansas State University, the Extension Service can utilize all of the University's research and problem-solving capabilities.

The Community Resource Development Department, within the Cooperative Extension Service, is involved in aiding local community leaders in the process of public decision-making. The Community Resource Development staff work with local leaders to make community decisions designed to enhance the social and economic well-being of the community. The work accomplished by the agency includes the aiding of local leaders in the identifying of community needs and problems, the establishing of priorities, the identifying of alternatives and their consequences, the implementing of selected alternatives, and the evaluation of results.

Kansas U.S. D.A. Rural Development Committee. The head of the Cooperative Extension Services is Chairman of the Kansas USDA Committee for Rural Development. That group was established in 1973 to set comprehensive long-range objectives and goals. The Kansas USDA Committee for Rural Development seeks to implement goals for rural development by coordinating the activities of various USDA agencies, various other federal agencies, any related state agencies, the regional planning commissions, and local organizations.

Kansas Industrial Extension Service (KIES). At Kansas State University, the KIES is situated within the College of Engineering. Projects undertaken by KIES, at the request of interested parties, involve providing information and technical expertise to industrial concerns.

The present staff consists of one person serving in a half-time capacity. A by-product of KIES activity is university contact with industry -- industrial scholarships are encouraged and summer jobs are provided for teachers and students.

Center for Regional Planning. The Department of Regional and Community Planning of the Kansas State University School of Architecture operates the Center for Regional Planning and provides a graduate program in regional and community planning. The Center for Regional Planning cooperates with the Kansas Department of Economic Development, the State Planning and Research Division, the League of Kansas Municipalities, and regional planning commissions. It develops techniques for undertaking redevelopment programs by Kansas communities. The Center relates business area physical redevelopment to long-range planning and development activities. Guidelines are kept at a minimum, however, in order to let the local people carry out as much of a project as possible.

Ozarks Regional Commission. The Ozarks Regional Commission is one of seven multi-state regional commissions established under Title V of the Public Works and Economic Development Act of 1965. Together with a federal co-chairman appointed by the President, the Governors of Arkansas, Kansas, Louisiana, Missouri and Oklahoma jointly decide on the use of funds appropriated to the Commission.

Under the guidelines of the Public Works Act the funds which are yearly appropriated to the Commission are used to provide additional financial assistance to the region for:

1. public facilities which will help in securing employment generating activities;

2. public facilities which will help improve the areas generally;
3. technical assistance to help in the understanding of development problems;
4. demonstration projects;
5. analysis of the regional economy; and
6. assistance to the states in carrying out economic development programs.

Generally Ozarks funds are granted to supplement other sources of funding.

The Commission gives priority to projects from areas which have high unemployment rates, low incomes and low labor force participation rates. Within these districts it seeks to channel a large proportion of its investments into non-metropolitan areas and counties having the greatest potential for growth.

Kansas Department of Economic Development (KDED).

The Kansas Department of Economic Development is actively involved in the economic development of all areas of Kansas. KDED engages in the promotion of tourism, attraction of industry, and the improvement and development of communities throughout Kansas, including rural areas.

The Kansas Department of Economic Development, working closely with the Kansas Cavalry -- a group of Kansas business people not employed by the state -- has been active in attracting potential industrial prospects to Kansas. The KDED is not only attempting to interest potential industries to the metropolitan areas but also to the rural areas of the state.

The PRIDE program, which is conducted by KDED is directly related to the economic development of Kansas communities. It is

intended to encourage Kansas communities, regardless of size, to initiate and implement programs of total community development and improvement.

In implementing its PRIDE program, KDED found that many communities needed technical assistance even in following a simple development process. This lack of technical input became an impediment beyond which many communities could not proceed. As a consequence the Planning and Community Development Division within KDED was created; subsequently the planning function was transferred to another state agency (the Division of Planning and Research in the Department of Administration.) A community development assistance pilot project was funded by KDED, the Ozarks Regional Commission, and the Economic Development Administration of the Department of Housing and Urban Development. The specific purposes of the pilot project was to provide technical assistance, as requested by the mayors of Kansas communities under 20,000, in the area of community development as well as guidance in the development of the planning community development work programs.

This project was accepted and a three-person Community Development team was established and staffed by professional planners with diversified educational background. The project was originally funded from July 1, 1974, to June 30, 1975, and was eventually extended to April, 1977. The team, as a result of its work, has developed a "Community Development Procedural Model," which is to be used to guide the local decision-making process.

Regional Planning Commissions. Regional planning commissions are associations of local governments whose policy bodies are composed predominately of local elected officials. Their functions are primarily to develop plans and programs to be carried out through interlocal cooperation of their members and to provide technical assistance to member groups. Most of the commissions are organized to serve non-metropolitan areas. These commissions provide planning and development services for maintaining the economic and social vitality of a region. The comprehensive planning programs of the commissions involve the cataloging of resources of a given area and the preparation of overall economic development programs. Priority goals are listed and the environmental impacts assessed. In some cases the regional planning commissions get involved in, or are expected to engage in, community development projects. The commissions do provide information to communities on services and funding available from various sources.

Presently, there are approximately 15 regional planning commissions in the state. The Committee found that although these planning commissions are organized on a regional basis, in some instances the boundaries of these regions overlap.

Conclusions and Recommendations

The subject of rural revitalization is broad in scope and complex in nature. Various other proposals for interim study, which were assigned to other special committees, are directly

related to this study. Topics concerning health care services in medically underserved areas (Proposal No. 33), rural airport development (Proposal No. 19), and local government revenue sources and needs (Proposal No. 37) overlap into the subject area of this study. Since many of the facets of rural revitalization had been assigned to other special committees, the Committee has decided that a comprehensive and concerted study of this topic can only be achieved by extended review of the subject. For this reason, the Committee recommends that a joint committee on rural and community development be authorized for the 1977 Legislative Session. Further, the Committee recommends the authorization of a special committee to study rural and community development during the 1977 Legislative interim. The Committee suggests that the subsequent joint and interim committees be composed of as many members of the 1976 Special Committee on Selected Studies as possible so that the maximum of carryover knowledge can be achieved.

In its study, the Committee sought to determine what programs are available to facilitate rural revitalization; what programs are being implemented and their successes; and the ease with which local units of government can implement these programs. While the Committee found much activity being performed in this area, it was disturbed by the lack of continuity and cooperation among various levels of government and between agencies with overlapping jurisdictions.

The Committee found that in many instances regional planning and development commissions in Kansas maintain boundaries which overlap causing certain jurisdictional problems. The

Committee believes that these situations can and do lead to confusion and divided effort by local entities in rural and community planning and development. The Committee is convinced that activities in rural development and community planning should be centralized within distinct regions of the state. For this reason, the Committee recommends that the statutes specifically grant the responsibility of rural and community development to regional planning commissions and that the Governor be required to develop standardized boundaries for administrative development or planning regions of all state agencies, administrative districts of various federal assistance programs, and multi-governmental planning or development areas designated or required by federal grants or loan assistance programs. It is believed by the Committee that by creating distinct regions, without overlapping jurisdictions, a more coordinated and concerted effort in rural and community planning and development can be achieved.

Of concern to the Committee in its discussion of this topic is the state funding of planning commissions. As provided by present statute, K.S.A. 12-719, regional planning commissions are authorized to receive state funds to finance the performance of their services. In recent years, the amounts which have been authorized for these commissions have been distributed uniformly, with no concern for the commissions' participation in planning. It was the consensus of the Committee that the planning commissions should be rewarded for effectively performing their functions. The Committee recommends that a minimum of \$5,000 be awarded to each of the planning commissions and that additional

amounts be granted to those commissions which display higher levels of local participation. The Committee feels that this incentive would encourage the regional commissions to attain high levels of local participation in the performance of their functions.

To implement the Committee's recommendations which have been discussed above, the Committee recommends three bills to the 1977 Legislature. These bills, _____ Bill _____, _____ Bill _____, and _____ Bill _____ accompany this report.

Related Urban Issues -- Industrial Waste Disposal

During consideration of Proposal No. 59 (Rural Revitalization), the original proposal was broadened to include related urban issues. Of general concern to the Committee was the effect of urban sprawl on rural revitalization. A specific example of an effect of urban sprawl, which was studied in detail by the Committee, was an industrial waste disposal area proposed in northeast Sedgwick County.

The Committee held public meetings on the industrial waste issue and heard testimony from numerous citizens, public officials and groups from the area. The following groups, organizations and individuals appeared before the Committee: the Kansas Department of Health and Environment, KDIWOK (an organization formed to Keep Dangerous Industrial Wastes Out of Kansas); the Boeing Company; the Standard Test and Engineering Company; County Commissioners from Sedgwick County; Palmyra Baptist Church; Dr. J. R. Berg, Geologist; and the Kansas Department of Transportation.

Most of the conferees appearing before the Committee were basically opposed to the proposed location of the waste disposal area at Furley, Kansas, near Wichita.

As part of the testimony received by the Committee, the Secretary of Health and Environment summarized the various issues involved with residual waste and discussed alternative solutions for the handling of waste disposal sites. It was noted that presently, individual industries within the state are operating their own sites for industrial waste disposal and that such wastes are and have been placed in city and county sanitary landfills. The Secretary of Health and Environment explained that this practice could lead to dangerous situations since this type of disposal is not regulated or monitored.

The Committee was told that Kansas should require that these hazardous industrial wastes be disposed of properly in areas such as the site proposed at Furley. The Committee was informed that, by 1980, Kansas would need from three to five such hazardous waste disposal sites. The Secretary of Health and Environment indicated that he presently has the statutory authority to require a cash bond, prior approval of the type and quantity of wastes to be placed at the site, and other permit restrictions for industrial waste disposal sites such as that proposed at Furley. During further Committee discussion it was explained that the Department of Health and Environment presently has the authority and is required to issue an industrial waste site permit such as that sought at Furley, if the applicant meets the necessary

requirements for licensing. The Committee was informed that, while the permit for the Furley site will be granted if the applicant meets the necessary requirements, additional conditions to the permit can be added at the end of the year when the permit is up for renewal.

To insure that additional regulatory provisions discussed by the Committee can be required at future industrial waste sites, a bill was drafted by the Committee and accompanies this report. The bill proposes statutory changes which would add a definition of "hazardous waste" to the present statutes and expand the definition of "solid waste." In addition, proposed changes would require the Secretary of Health and Environment to adopt standards for the disposal of hazardous waste and the location of disposal sites and to require that manifests accompany all hazardous wastes. In addition, the bill would require that, as a condition to receiving a permit to operate a hazardous waste disposal site, the operator agree to post a bond to insure proper operation of the site; establish an escrow account to cover the expense of monitoring a site during its operation and after the site is closed; and agree to prior approval of transportation routes for hazardous wastes and prior approval of the types and quantity of wastes allowed at the permitted site. The bill also directs that authority be given to the Secretary to levy a fine of up to \$500 a day for violations of the law or permit and that a criminal penalty be added to the present statute.

The Committee believes that industrial waste disposal sites are necessary in the state for the safe disposal of hazardous industrial wastes. For this reason the Committee recommends

House Bill _____ which will provide for the safe disposal and maintenance of industrial wastes within the state.

Respectfully submitted,

_____, 1976

Representative Lynn Whiteside, Chairman
Special Committee on Selected Studies
-- House

PROPOSED BILL NO. _____

By Special Committee on Selected Studies

Re: Proposal No. 59

Attachment
11-12-72

AN ACT providing for the standardization of administrative, planning and development district boundaries.

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

Section 1. The division of state planning and research of the department of administration is hereby authorized and directed to present to the governor a plan which shall divide the state into districts for the purpose of standardizing the boundaries of administrative, planning and development districts delineated within the state by all levels of government. The boundaries of all administrative, development or planning districts of all state agencies; administrative districts of the various federal assistance programs within the state; multigovernmental unit planning or development areas designated or required by the various federal grant and loan assistance programs for areas or local governmental units within the state; and all multicounty planning agencies within the state shall conform to the boundaries of the districts so delineated, or shall be composed of two (2) or more such districts which are contiguous, unless otherwise authorized by the governor.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

sessions on the call of the chairperson when authorized by the legislative coordinating council. Any seven (7) members of the joint committee shall constitute a quorum. Any action of such joint committee may be taken by an affirmative vote of a majority of the members present, if a quorum is present.

(c) It shall be the duty of the joint committee on rural and community development to make studies and submit reports and recommendations thereon to the legislature concerning ^{rural &} community development; development of business, commerce and industry in rural areas; and any urban issues related to such development. The joint committee is hereby authorized to introduce such bills as the committee deems appropriate to promote such development and to consider and report on bills referred to the committee, in accordance with the procedures and limitations provided for the introduction, consideration and reporting of bills by standing committees of the legislature other than committees for which exceptions to such procedures or limitations are provided.

Sec. 2. This act shall take effect and be in force from and after its publication in the official state paper.

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(c) It shall be the duty of the joint committee on rural and community development to make studies and submit reports and recommendations thereon to the legislature concerning ^{the} community development; development of business, commerce and industry in rural areas; and any urban issues related to such development. The joint committee is hereby authorized to introduce such bills as the committee deems appropriate to promote such development and to consider and report on bills referred to the committee, in accordance with the procedures and limitations provided for the introduction, consideration and reporting of bills by standing committees of the legislature other than committees for which exceptions to such procedures or limitations are provided.

Sec. 2. This act shall take effect and be in force from and after its publication in the official state paper.

Attached (77

112

PROPOSED BILL NO. _____

By Special Committee on Selected Studies

Re: Proposal No. 59

AN ACT relating to metropolitan and regional planning commissions; amending K.S.A. 12-717 and 12-719 and repealing the existing sections.

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

Section 1. K.S.A. 12-717 is hereby amended to read as follows: 12-717. The general purpose of a metropolitan or regional planning commission shall be to make those studies and plans for the development of the metropolitan area or region that will guide the unified development of the area, ~~that will~~ eliminate planning duplication, provide for community development and promote economy and efficiency in the coordinated development of the area and the general welfare and prosperity of its people. The metropolitan or regional commission shall make a plan or plans for development of the area, which may include, but shall not be limited to, recommendations for principal highways, bridges, airports, parks and recreational areas, schools ~~and~~ public institutions, and public utilities.

Any metropolitan or regional plan so developed shall be based on studies of physical, social, economic, and governmental conditions and trends. The plans and its recommendations may be adopted in whole or in part ~~be accepted~~ by the governing bodies of the cooperating cities and counties as the general plans of such cities and counties. The metropolitan or regional planning commission may also assist the cities and counties within its area of jurisdiction in carrying out any regional plan or plans developed by the commission, and the metropolitan or regional planning commission may also assist any planning commission, board or agency of the cooperating cities or counties in the pre-

paration or effectuation of local plans and planning consistent with the program of the metropolitan or regional planning agency.

Sec. 2. K.S.A. 12-719 is hereby amended to read as follows: 12-719. (a) A metropolitan or regional planning commission established under the provisions of this act is authorized to receive for its own uses and purposes any funds or moneys from any participating city or county, from the state or federal government, and from any other source any other funds including bequests, gifts, donations or contributions. The participating cities and counties or other public bodies are authorized to appropriate funds for the expenses and costs required by the commission in the performance of its purposes and functions.

(b) For fiscal year 1978 and each year thereafter, each metropolitan or regional planning commission shall be entitled to a grant of five thousand dollars (\$5,000) from state moneys appropriated for such purpose. Any additional state moneys appropriated for a fiscal year for the purpose of making grants to such commissions shall be allocated on the basis of the extent of local participation in each commission. Factors considered in determining the extent of such participation shall include, but not be limited to: (1) The proportion of cities and counties within the jurisdiction of the planning commission which participates in the commission, (2) the proportion of the population and land area within the jurisdiction of the planning commission which lies within participating cities and counties and (3) the per capita amount of local cash contributions to the planning commission.

Sec. 3. K.S.A. 12-717 and 12-719 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

Edward J. J.

PROPOSED BILL No. _____

by Special Committee on Selected Studies

Re: Proposal No. 59

AN ACT concerning solid waste management; relating to hazardous waste; amending K.S.A. 1976 Supp. 65-3402, 65-3403, 65-3404 and 65-3409 and repealing the existing sections.

It is enacted by the Legislature of the State of Kansas

Section 1. K.S.A. 1976 Supp. 65-3402 is hereby amended to read as follows: 65-3402. ~~The following words and phrases when used in this act shall have the meanings herein ascribed, unless the context clearly indicates otherwise.~~

(a) "Hazardous waste" means solid waste which, due to quantity, concentration or other characteristics, is determined by the secretary to be dangerous to human health or the environment.

(b) "Manifest" means the form prescribed by the secretary for identifying hazardous wastes during storage, collection, transportation, processing and disposal.

(c) "Person" means individual, partnership, corporation, institution, political subdivision or state agency.

(d) "Secretary" means the secretary of health and environment.

~~for (e) "Solid waste" means garbage, refuse and other discarded materials, including but not limited to solid, semi-solid, liquid and gaseous waste materials resulting from industrial, commercial, agricultural and domestic activities.~~

(e) "Solid waste disposal area" means any area used for the disposal of refuse and discarded residential, commercial, industrial or other commercial, industrial, manufacturing or municipal operations.

~~(b)~~ (c) "Solid waste management system" means the entire process of storage, collection, transportation, processing, and disposal of solid wastes by any person engaging in such process as a business, or by any city, authority, county or any combination thereof.

~~(c)~~ (h) "Solid waste processing facility" means incinerator, compost plant, transfer station or any other location where solid wastes are consolidated, temporarily stored or salvaged prior to being transported to a final disposal site.

~~(d) -- "Solid waste disposal area" means any area used for the disposal of refuse from more than one residential premise, or one or more commercial, industrial, manufacturing, or municipal operations.~~

~~(e) -- "Person" means individual, partnership, corporation, institution, political subdivision or state agency.~~

~~(f)~~ (i) "Waters of the state" means all streams and springs, and all bodies of surface or groundwater, whether natural or artificial, within the boundaries of the state.

~~(g) -- "Secretary" means the secretary of health and environment.~~

Sec. 2. K.S.A. 1976 Supp. 65-3406 is hereby amended to read as follows: 65-3406. The secretary is authorized and directed to: (a) Adopt such rules, regulations, standards and procedures relative to solid waste management as shall be necessary to protect the public health, prevent public nuisances, and enable the secretary to carry out the purposes and provisions of this act.

(b) Report to the legislature on further assistance needed to administer the solid waste management program.

(c) Administer the solid waste management program pursuant to provisions of this act.

(d) Cooperate with appropriate federal, state, interstate and local units of government and with appropriate private organizations in carrying out its his or her duties under this act.

(e) Develop a statewide solid waste management plan.

(f) Provide technical assistance, including the training of

...to cities, counties and other political subdivisions, including the training of personnel.

(g) initiate, conduct, and support research, demonstration projects and investigations and coordinate all state agency research programs with applicable federal programs pertaining to solid waste management systems.

(h) establish policies for effective solid waste management systems.

(i) Authorize issuance of such permits and orders and conduct such inspections as may be necessary to implement the provisions of this act and the rules, regulations and standards adopted pursuant to this act.

(j) Conduct and control for researches research and investigations in the overall area of solid waste storage, collection, ~~transportation~~ transportation, processing and disposal, including, but not limited to, new and novel procedures.

(k) Adopt rules and regulations establishing standards for the storage, collection, transportation, processing and disposal of hazardous waste and for the location of processing facilities and disposal areas for such wastes.

(l) Adopt rules and regulations establishing appropriate measures for monitoring hazardous waste processing facilities and disposal areas, both during and after operation of such facilities and areas and establishing a schedule of fees, to be paid to the secretary by permittees operating such facilities or areas, sufficient, but not exceeding the amount necessary, to reimburse the state and the costs of monitoring such facilities and areas.

(m) Adopt rules and regulations prescribing the form of fee manifest and requiring such manifest to accompany any hazardous waste stored, collected, transported, processed or disposed of in the state.

(n) Adopt rules and regulations providing for the form or description of hazardous waste in the manifest and for the maintenance of records of all hazardous waste stored, collected,

transported, processed or disposed of in the state.

(o) Adopt rules and regulations establishing standards for routes and equipment used for transporting hazardous waste within the state and requiring the secretary's approval of all such routes and equipment.

(p) Adopt rules and regulations requiring any person transporting hazardous waste in the state to submit to the secretary satisfactory evidence of liability insurance coverage in such amount as determined necessary by the secretary to insure the financial responsibility of such person for any liability incurred in transporting such waste.

(q) Adopt rules and regulations establishing standards and procedures to protect public health and the environment from any accidental release of hazardous waste into the environment and to insure the prompt correction of any such release and damage resulting therefrom by the person handling such hazardous waste.

(r) Adopt rules and regulations requiring that, for such period of time as the secretary deems necessary, any assignment, sale, conveyance or transfer of all or any part of the property upon which a processing facility or disposal area for hazardous waste is or has been located shall be subject to such terms and conditions as to the use of such property as the secretary determines necessary to protect human health and the environment.

(s) Adopt suitable measures, including rules and regulations if appropriate, to encourage recycling of solid waste for reuse whenever feasible.

New Sec. 3. In order to avoid duplication of or conflict with any rules and regulations relating to the transportation of hazardous materials which have been adopted by the secretary of transportation, the secretary of health and environment shall consult with the secretary of transportation prior to the adoption of any rules and regulations relating to the transportation of hazardous waste.

Sec. 4. K.S.A. 1976 Supp. 65-3407 is hereby amended to read as follows: 65-3407. (a) ~~After June 30, 1976, in all counties~~

~~of the state~~ It shall be unlawful for any person to operate a solid waste processing facility or a solid waste disposal area of a ~~solid waste processing facility or disposal area~~ without first obtaining a permit from the secretary.

(b) Every person desiring to obtain a permit to operate a solid waste processing facility or disposal facility--or area shall make application for such a permit on forms provided for ~~this~~ such purpose by the secretary and shall provide the secretary with such information as necessary to show that the facility or service will comply with the purpose of this act. ~~When an application is made for a permit to operate a processing facility or disposal area for hazardous waste, the secretary, before proceeding further, shall cause notice of such application to be published in a newspaper of general circulation in the county where the proposed facility or area is to be located. Such notice shall state that an application has been made for a permit to operate a facility or area for the processing or disposal of hazardous waste and shall include the name of the applicant and the local description of the site of the proposed facility or area.~~ Upon receipt of an ~~any~~ application and payment of the fee, the secretary, with advice and counsel from the local health authorities, shall make an investigation of the solid waste processing facility or disposal area and determine whether it complies with the provisions of this act and any rules, regulations and standards adopted thereunder. When the investigation reveals that the facility or area does conform with the provisions of the act and the rules, regulations and standards adopted thereunder the secretary shall approve the application and shall issue a permit for the operation of each solid waste processing or disposal facility or area set forth in the application. In the event that the facility or area fails to meet the rules, regulations and standards required by this act the secretary shall issue a report to the applicant stating the corrections to be made and setting a reasonable time for compliance. The secretary may at his ~~optional~~ option issue temporary permits conditioned upon

corrections of operational methods being completed and implemented.

(c) The annual fee for a solid waste processing or disposal permit shall be fifty dollars (\$50)~~--- provided~~, and no refund shall be made in case of revocation. All fees shall be deposited in the general fund in the state treasury. A city, county, other political subdivision or state agency shall be exempt from payment of the fee but shall meet all other provisions of this act.

(d) Plans, designs and relevant data for the construction of solid waste processing facilities and disposal sites shall be prepared by a licensed professional engineer licensed to practice in Kansas and shall be submitted to the department for approval prior to the construction, alteration or operation of such facility or area.

(e) Each permit granted by the secretary, as provided in this act, shall be subject to such conditions as the secretary deems necessary to protect human health and the environment. Such conditions shall include, but not be limited to, approval by the secretary of the types and quantities of solid waste allowable for processing or disposal at the permitted location.

(f) As a condition of granting a permit to operate any processing facility or disposal area for hazardous waste, other than an area or facility which is used exclusively for the processing or disposal of waste generated by the owner of such area or facility, the secretary shall require the permittee to provide surety bond, cash bond or liability insurance, or any combination thereof, in such amount as determined necessary by the secretary to insure the financial responsibility of the permittee for any liability incurred in the operation of the facility or area and to insure that, upon abandonment, cessation or interruption of the operation of the facility or area, all appropriate measures are taken to prevent present or future damage to human health and the environment.

(g) Any person granted a permit to operate a processing facility or disposal area for hazardous waste under this act

shall file with the secretary a copy of a statement of operations for such facility or area, evidence that the abstract of title to the property on which such facility or area is located shows in clear terms that such property is being used for the processing or disposal of hazardous waste.

(*) (d) Permits granted by the secretary, as provided in this act, shall be revocable or subject to suspension whenever the secretary shall determine that the solid waste processing or disposal facility or area is, or has been conducted in violation of this act or the rules, regulations or standards adopted pursuant to the act, or is creating a public nuisance.

(*) (i) In case any permit is denied, suspended or revoked the person, city, county or other political subdivision or state agency may request a hearing before the secretary in accordance with K.S.A. 1976 Supp. 65-3412, as amended.

Sec. 5. K.S.A. 1976 Supp. 65-3409 is hereby amended to read as follows: 65-3409. (a) It shall be unlawful for any person, city, county, other political subdivision or state agency to (1) Dump or deposit, or permit the dumping or depositing of, any solid wastes onto the surface of the ground or into the waters of the state without having obtained a permit as required by K.S.A. 1976 Supp. 65-3407, as amended ~~provided first, but~~ this provision shall not prohibit: (A) The use of solid wastes in normal farming operations or in the processing or manufacturing of other products in a manner that will not create a public nuisance or adversely affect the public health ~~provided that such wastes are not~~ ~~prevented from being used in such a manner as to~~

(B) An individual from dumping or depositing solid wastes resulting from such individual's own residential or agricultural activities onto the surface of land owned or leased by them such individual when such wastes do not create a public nuisance or adversely affect the public health.

(*) (2) Construct, alter or operate a solid waste processing or disposal facility or area of a solid waste management system without a permit or other approval from the secretary or

in violation of the rules, regulations, standards or orders of the secretary.

~~(a) Any person who violates any provision of this section, 1976 Supp., K.S.A. 65-3409.~~

~~(a)~~ (3) Conduct any solid waste burning operations in violation of the provisions of K.S.A. 65-3401 to 65-3403, inclusive, and any amendments thereto.

~~(a)~~ (5) Store, collect, transport, process or dispose of solid waste contrary to the rules, regulations, standards or orders of the secretary or in such a manner as to create a public nuisance.

~~(a)~~ (6) Refuse or hinder entry and inspection by an agent or employee of the secretary after such agent or employee identifies himself ~~or himself~~ and gives notice of his ~~or her~~ purpose.

~~(a)~~ No person shall be held responsible for failure to secure a permit under the provisions of this section for the dumping or depositing of any solid waste on land owned or leased by ~~him~~ ~~such person~~ without his ~~or her~~ expressed or implied consent, permission or knowledge.

~~(c) Any person who violates any provision of subsection (a) of this section shall be guilty of a class A misdemeanor and, upon conviction thereof, shall be punished as provided by law.~~

New Sec. 6. (a) Any person who violates any provision of subsection (a) of K.S.A. 1976 Supp. 65-3409, as amended, shall incur, in addition to any other penalty provided by law, a civil penalty in an amount of up to five hundred dollars (\$500) for every such violation and, in the case of a continuing violation, every day such violation continues shall be deemed a separate violation.

(b) The director or the division of environment, upon a finding that a person has violated any provision of subsection (a) of K.S.A. 1976 Supp. 65-3409, as amended, may impose a penalty within the limits provided in this section, which penalty shall constitute an actual and substantial economic deterrent to the violation for which it is assessed.

(c) Any person shall be liable for payment to this section of a penalty for each violation of the provisions of this act. The order shall state the violation, determine to be liable and the right of such person to appeal to the secretary of health and environment. Any such person may, within thirty (30) days after notification, make written request to the secretary for a hearing thereon. The secretary shall hear such person within thirty (30) days after receipt of such request and shall give not less than ten (10) days written notice of the time and place of such hearing. Within fifteen (15) days after such hearing, the secretary shall affirm, reverse or modify the order of the director and shall specify the reasons therefor. Nothing in this act shall require the observance of any hearing or formal rules of pleading or evidence.

(d) Any person aggrieved by an order of the secretary issued pursuant to subsection (c) of this section may appeal such order in the manner provided by law, within thirty (30) days of notice of such order.

(e) Any penalty recovered pursuant to the provisions of this section shall be deposited in the state treasury and credited to the general fund.

Sec. 7. R.S.A. 1976 Supp. 65-3402, 65-3406, 65-3407 and 65-3409 are hereby repealed.

Sec. 8. This act shall take effect and be in force from and after its publication in the official state paper.