

MINUTES OF THE House COMMITTEE ON Transportation

The meeting was called to order by Chairman Rex Crowell at _____
Chairperson

1:30 ~~am~~^{xx}/p.m. on February 28, 1983 in room 519-S of the Capitol.

All members were present ~~except~~^{XXXX}

Committee staff present:

- Hank Avila, Legislative Research
- Fred Carman, Revisor of Statutes
- Pam Somerville, Committee Secretary

Conferees appearing before the committee:

- Rep. Rex Crowell
- Bill Green, Kansas Corporation Commission
- Pat Hubbell, Kansas Railroad Association
- Steve Montgomery, Kansas Department of Revenue

The meeting was called to order by the Chairman. Rep. Crowell turned the meeting over to Vice-Chairman David Webb. The first order of business was HB 2358. Rep. Crowell, sponsor of HB 2358, explained to the committee the intent of the bill. HB 2358 would amend the statute regarding the test period for railroad agency closings. The bill would require the test period include the four months of the year with the greatest amount of activity.

The next conferee was Mr. Bill Green, Kansas Corporation Commission. Mr. Green presented testimony in support of HB 2358. Mr. Green stated that in 1981, the legislature enacted HB 2078. This particular bill established the procedures the Commission and the railroads must follow in modification or discontinuance of railway agency service. Since the enactment of HB 2078, the Commission has received 35 applications for modification of service and discontinuance of railway agency service. Mr. Green stated currently by statute the commission is required to rely on the level of protests in these communities in which the railroads have applied to institute a test period. The level of protests and revenues is the basis the Commission uses to determine whether or not to set a hearing on the application. The Commission supports the amendment to K.S.A. 1982 supp. 66-112 because the requirement that any test period include the four months of the year in which the greatest number of cars have been loaded is additional evidence which should be considered in the modification. The commission believes that a test period based on the greatest level of activity is reasonable. (Attachment 1). Mr. Green explained (Attachment 2) dealing with filings for modification or discontinuance of railway agency service from 8/81 to 2/83. Mr. Green explained that it indicates communities affected, action of the Commission and status of the test. Mr. Green also distributed a chart depicting examples of peak seasons (Attachment 3).

The meeting was opened to questions. Rep. Knopp asked Mr. Green if the examples related to specific cases. Mr. Green replied they did not. The chart was designed to show how the bill would work.

Rep. Knopp asked Mr. Green if there had been any applications during an odd period or did the Commission have a case showing there had been problems? Mr. Green replied that they did not but that 88.6% of the applications received had no hearings.

Rep. David Webb asked Mr. Green who presently determines the test period. Mr. Green explained that it was actually the railroad that determines the test period, based on the application.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,
room 519-S, Statehouse, at 1:30 ~~am~~/p.m. on February 28, 19 83

Attach. 4
The next conferee was Mr. Pat Hubbell, Kansas Railroad Association. Mr. Hubbell presented testimony in opposition to HB 2358 stating it was the practice to file three or four applications per month in an orderly fashion. It was not the railroad's intent to schedule tests during off-peak periods. Mr. Hubbell stated it was the agency's intent to file the test periods in an orderly fashion and spread them out over a 12 month period.

Rep. Webb turned the meeting back to Rep. Rex Crowell.

Committee discussion and action on bills heard previously was the next order of business. The Chairman asked if the Sub-Committee on HB 2358 had met. Rep. Knopp replied they had not.

HB 2059 was brought up for discussion. The Chairman explained the bill would establish a fee of \$15.00 for attending a driver improvement clinic conducted by the Division of Vehicles.

Rep. Justice moved to amend the bill to place the monies from the fee into the Division of Vehicles Operating Fund. The motion was seconded by Rep. Fuller. Motion passed. It was moved by Rep. Dillon to amend the bill to delete the reference to "paragraph (3)" in line 0081 and make the appropriate clean-up amendments. Rep. Erne seconded the motion. Motion passed. Rep. Dillon moved HB 2059 be passed favorably as amended. Motion passed.

HB 2284 was brought up for committee discussion. Mr. Steve Montgomery, Department of Revenue, reviewed the bill for the committee (Attachment 5). Rep. Justice moved to amend the bill by striking all after K.S.A. in line 22, all of line 23, and everything before "is" in line 24 and insert in lieu thereof the list of statutes contained in Mr. Montgomery's handout. Also to make any necessary technical changes. The motion was seconded by Rep. Johnson. Motion passed. Rep. Justice moved to pass favorably HB 2284 as amended. Rep. Adam seconded the motion. Motion passed.

The last item for committee discussion was HB 2287. Mr. Montgomery reviewed the bill's content for the committee. Rep. Johnson moved HB 2287 be passed favorably. Rep. Guldner seconded the motion. Motion passed.

The meeting was adjourned at 2:45 p.m.



Rex Crowell, Chairman

State of Kansas



State Corporation Commission

JOHN CARLIN
RICHARD C. (PETE) LOUX
JANE T. ROY
PHILLIP R. DICK
CAROL J. LARSON
BRIAN J. MOLINE

Governor
Chairman
Commissioner
Commissioner
Executive Secretary
General Counsel

Fourth Floor, State Office Bldg.
Ph. 913/296-3355
TOPEKA, KANSAS 66612-1571

STATEMENT PRESENTED ON FEBRUARY 28, 1983, TO THE
HOUSE TRANSPORTATION COMMITTEE BY THE STATE
CORPORATION COMMISSION OF KANSAS ON H. B. 2358

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I AM BILL GREEN, ADMINISTRATOR OF THE TRANSPORTATION DIVISION OF THE STATE CORPORATION COMMISSION. I APPEAR HERE TODAY REPRESENTING THE COMMISSION IN SUPPORT OF H. B. 2358.

DURING THE 1981 LEGISLATIVE SESSION, THE LEGISLATURE ENACTED H. B. 2078. THE BILL ESTABLISHED THE PROCEDURES THE COMMISSION AND THE RAILROADS MUST FOLLOW IN MODIFICATION OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE. SINCE THE ENACTMENT OF H. B. 2078, DURING THE 1981 SESSION, THE COMMISSION HAS RECEIVED 35 APPLICATIONS FOR MODIFICATION OF SERVICE AND DISCONTINUANCE OF RAILWAY AGENCY SERVICE.

CURRENTLY BY STATUTE THE COMMISSION IS REQUIRED TO RELY ON THE LEVEL OF PROTESTS IN THESE COMMUNITIES IN WHICH THE RAILROADS HAVE APPLIED TO INSTITUTE A TEST PERIOD. THE LEVEL OF PROTESTS AND REVENUES GENERATED ON THE RAIL LINES IS THE BASES ON WHICH THE COMMISSION MUST DETERMINE WHETHER OR NOT TO SET A HEARING ON THE APPLICATION.

THE COMMISSION SUPPORTS THE AMENDMENT TO K.S.A. 1982 SUPP. 66-112 BECAUSE THIS REQUIRES THAT ANY TEST PERIOD INCLUDE THE 4 MONTHS OF THE YEAR IN WHICH THE GREATEST NUMBER OF CARS HAVE BEEN LOADED IS ADDITIONAL EVIDENCE WHICH SHOULD BE CONSIDERED IN THE MODIFICATION OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE. THE COMMISSION BELIEVES THAT A TEST PERIOD BASED ON THE GREATEST LEVEL OF ACTIVITY IS REASONABLE.

ADDITIONALLY IT IS THE VIEW OF THE COMMISSION THAT RAILROADS, LIKE MOST MAJOR CORPORATIONS KNOW WELL IN ADVANCE THE ACTIVITIES THEY PROPOSE TO UNDERTAKE. BY ADDING THIS AMENDMENT RAILROADS WILL SIMPLY BE REQUIRED TO TIME THEIR FILING TO CORRESPOND WITH THE 4 MONTHS PERIOD OF GREATEST ACTIVITY. THE COMMISSION DOES NOT BELIEVE THIS WILL RESULT IN A HARDSHIP TO RAILROADS AND FURTHER SUCH A PROVISION IS REASONABLE.

AS I MENTIONED EARLIER THE COMMISSION HAS RECEIVED AND ACTED UPON 35 APPLICATIONS FOR MODIFICATION OF SERVICE OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE AND SEVERAL TESTS ARE CURRENTLY UNDERWAY IN VARIOUS PARTS OF KANSAS. THE COMMISSION BELIEVES THE BULK OF THESE TYPES OF APPLICATIONS HAVE BEEN RECEIVED; OR AT THIS POINT THE COMMISSION HAS RECEIVED NO EVIDENCE WHICH WOULD INDICATE THAT THERE WILL BE AN EXTENSIVE INCREASE IN THESE TYPES OF FILINGS.

IN CONCLUSION, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE THE CORPORATION COMMISSION SUPPORTS H. B. 2358 BECAUSE WE BELIEVE IT WILL HELP CLARIFY THE LEGISLATIVE INTENT IN THE COMMISSION'S APPROACH TO DECIDING MODIFICATION OR DISCONTINUANCE OF AGENCY SERVICE; THE PROVISION IS REASONABLE; AND FINALLY THE TEST PERIOD WILL NOT BE A HARDSHIP ON THE RAILROADS IN KANSAS.

AT THIS TIME, IF YOU HAVE ANY QUESTIONS, I WILL BE HAPPY TO TRY TO ANSWER THEM.

MODIFICATION OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE
APPLICATIONS FILED WITH THE STATE CORPORATION COMMISSION BETWEEN
AUGUST 1981 TO FEBRUARY 1983

<u>RAILROADS</u>	<u>COMMUNITIES EFFECTED</u>	<u>COMMISSION ACTION</u>	<u>STATUS</u>
Santa Fe	Gardner & Wellsville	Grant	Completed
Santa Fe	Florence & Strong City	Grant	Completed
Missouri Pacific	Marquette, Gypsum, Leavenworth, Westphalia, Greeley, Garnett, and LeRoy	Grant	Completed
Santa Fe	Lewis, Kinsley, Cimmaron Copeland, Sublette, Ensign and Montezuma	Grant	Completed
Missouri Pacific	Barnes, Greeley, Washington, Linn, Palmer, Clifton, Clyde, Ames, Jamestown, Scottsville, Randall, Jewell, Burr Oak, Norway, Scandia and Republic	Grant	Completed
Santa Fe	Sylvia, Strafford, St. Johns, Macksville, Nickerson and Sterling	Grant	Completed
Santa Fe	Lakin, Syracuse, Ingalls and Pierceville	Grant	Completed
Santa Fe	DeSoto	Grant	Completed
Santa Fe	Morris and Bonner Springs	Grant	Completed

Atch. 2

MODIFICATION OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE
APPLICATIONS FILED WITH THE STATE CORPORATION COMMISSION BETWEEN
AUGUST 1981 TO FEBRUARY 1983

<u>RAILROADS</u>	<u>COMMUNITIES EFFECTED</u>	<u>COMMISSION ACTION</u>	<u>STATUS</u>
Missouri Pacific	Osborne, Alton, Bloomington, Woodston, Stockton, Portis, Harland, Gaylord, Cedar, Claudell, Kerwin, Glade, Speed, Edmond, Lenora and Downs	Grant in Part and Dismiss in Part	Completed
Santa Fe	Osborne and Tipton	Grant	Completed
Santa Fe	Mulvane, Udall and Belle Plaine	Grant	Completed
Santa Fe	Erie	Grant	Completed
Missouri Pacific	Fredonia, Neodesha, Independence, Chetopa, Pittsburg, Piqua, Iola, Yates Center, Toronto, Neal, and Eureka	Grant in Part and Dismiss in Part	Completed
Santa Fe	Mayfield	Grant	Completed
Santa Fe	Anthony, Coats, Coldwater, Norwich, Argonia, Danville, Bluff City, Sawyer, Udall, Nashville and Zenda	Grant	Completed
Union Pacific	Chapman	Grant	Completed

MODIFICATION OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE
APPLICATIONS FILED WITH THE STATE CORPORATION COMMISSION BETWEEN
AUGUST 1981 TO FEBRUARY 1983

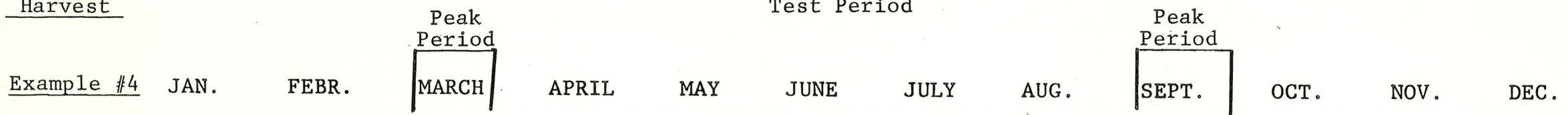
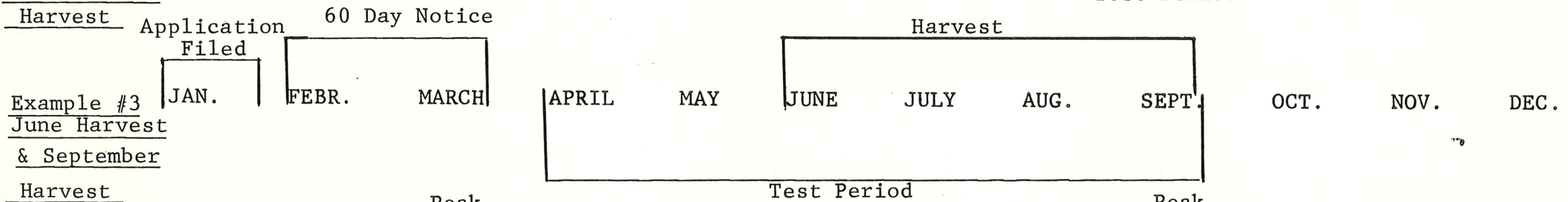
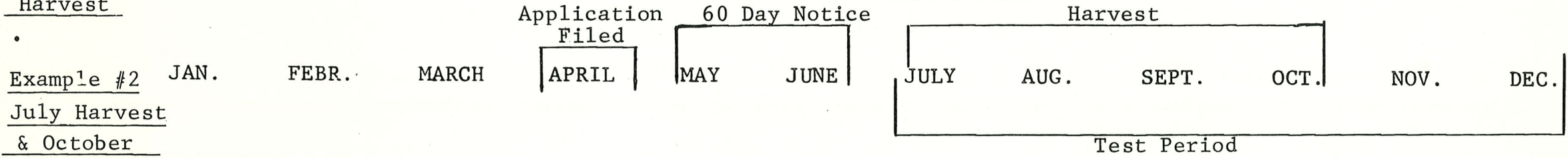
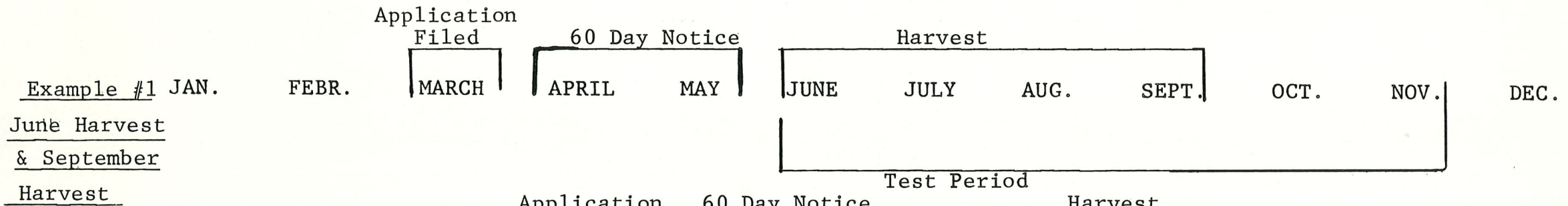
<u>RAILROADS</u>	<u>COMMUNITIES EFFECTED</u>	<u>COMMISSION ACTION</u>	<u>STATUS</u>
St.Louis Southwestern	McPherson	Grant	Completed
St.Louis Southwestern	Plains	Grant	Completed
St.Louis Southwestern	Greensburg	Grant	Completed
Burlington Northern	Parsons, Pittsburg and Cherokee	Grant	Completed
Missouri Pacific	Brownell, Ransom, Arnold, Pendennis, Shields, Healy, Olmitz, Otis, Bison, Hargrove, McCracken, Utica, Scott City and Leoti	Grant in part and Dismiss in part	Completed
Santa Fe	Atchison, Pauline, Valley Falls and Nortonville	Grant	Completed
Santa Fe	Ulysses, Moscow, Hugoton, Elkhart, Johnson and Manter	Grant	Completed
Santa Fe	Ellinwood, Ness City, Dighton, Scott City, Larned, Jetmore, Garfield, Roswell, Burdett, Hanston, Albert, Timken, Rush Center, Alexander and Bazine	Grant	Completed

MODIFICATION OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE
APPLICATIONS FILED WITH THE STATE CORPORATION COMMISSION BETWEEN
AUGUST 1981 TO FEBRUARY 1983

<u>RAILROADS</u>	<u>COMMUNITIES EFFECTED</u>	<u>COMMISSION ACTION</u>	<u>STATUS</u>
Union Pacific	Hays, Ellis, Toulon, Yocemento and Riga	Grant	Completed
Santa Fe	Concordia, Ada, Barnard, Longford and Miltonvale	Grant	Completed
Santa Fe	Conway, Little River, Lyons, Holyrood, Beaver, Galatia, Chase, Marion, Leigh, Hillsboro and Canton	Grant	Test in Progress
Santa Fe	Humboldt, Fredonia, Pittsburg, Independence, Coffeyville and Girard	Grant	Completed
Burlington Northern	Fredonia and Cherryvale	Grant	Test in Progress
Santa Fe	Moline	Grant	Test in Progress
Union Pacific	Colby, Spica, Mingo, Halford, Menlo, Hoxie, Sequin, Tasco, Studley, Morland, Hill City, Penokee, Bogue, Damar and Palco	Grant	Test in Progress

MODIFICATION OR DISCONTINUANCE OF RAILWAY AGENCY SERVICE
APPLICATIONS FILED WITH THE STATE CORPORATION COMMISSION BETWEEN
AUGUST 1981 TO FEBRUARY 1983

<u>RAILROADS</u>	<u>COMMUNITIES EFFECTED</u>	<u>COMMISSION ACTION</u>	<u>STATUS</u>
Missouri Pacific	Utica and Genesco		Set For Hearing
Santa Fe	Attica, Kiowa, Kingman Medicine Lodge, Garden Plains, Cheney, Cunningham, Pratt, Lake City, Sun City, Ashland, Englewood and Protection	Grant	Test in Progress
Burlington Northern	Leavenworth		Check for Protest 3/17/83 Test Period Begins 4/1/83



Attachment 3

Atch. 3

<u>CITY</u>	<u>TEST PERIOD</u>	<u>GRANT</u>
Gardner-Wellsville (dualized)	10- 5-81 to 4- 3-82	4- 5-82
Florence-Strong City (dualized)	10- 5-81 to 4- 3-82	4- 5-82
Lewis, Kinsley, Cimarron, Copeland, Sublette; Ensign & Montezuma (part of mobile)	11- 3-81 to 5- 1-82	5- 3-82 (Except Kinlsey - hearing 6-2-82)
Sylvia-Stafford, (dualized) St. John-Macksville, (dualized) Nickerson-Sterling (dualized)	11-18-81 to 5-16-82	5-17-82
Lakin, Syracuse; Ingalls & Pierceville (part of mobile)	12- 1-82 to 5-29-82	6- 1-82
DeSoto	12-16-81 to 6-13-82	6-15-82
Morris, Bonner Springs	1- 5-82 to 7- 4-82	7- 6-82
Osborne, Tipton	1-26-82 to 7-25-82	7-26-82
Mulvane, Udall, Belle Plaine Douglas (mobile agency)	2- 8-82 to 8- 6-82	8- 6-82
Erie	2-15-82 to 8-13-82	8-16-82
Mayfield (part of mobile)	3-15-82 to 9-10-82	9-10-82
Anthony, Coats, Coldwater, Norwich; Argonia, Danville, & Bluff City (mobile), Sawyer, Isabel, Nashville, & Zenda (mobile)	3-15-82 to 9-10-82	9-10-82
Atchison, Pauline, Valley Falls & Nortonville (dualized)	4-26-82 to 10-22-82	10-22-82
Ulysses, Moscow, Hugoton, Elkhart; Johnson-Manter (dualized)	5- 4-82 to 10-30-82	11- 1-82

<u>CITY</u>	<u>TEST PERIOD</u>	<u>GRANT</u>
Ellinwood, Ness City, Dighton, Scott City, Larned, Jetmore; Garfield-Rozel (dualized) Burdett-Hanston, (dualized) Albert, Timken, Rush Center, Alexander, & Bazone (mobile)	5-17-82 to 11-12-82	11- 5-82
Concordia; Ada-Barnard, (dualized) Longford-Miltonvale (dualized)	7-13-82 to 1- 8-83	1-10-83
Conway, Little River Lyons; Holyrood, Beaver, Galatia, & Chase (mobile); Marion, Lehigh, Hillsboro, & Canton (mobile)	7-16-82 to 1-11-83	1-12-83 (Except Lyons - it started on 9-17-82)
Humboldt, Fredonia, Pittsburg, Independence, Coffeyville, & Girard	8-13-82 to 2- 8-83	2- 8-83
Moline	11-16-82 to 5-14-83 (Requested)	
	(Granted Test by KCC on 12-1-82) (Test commenced 12-13-82)	

List of Patrons and Shipments at Moline, Kansas

1982
(January through October)

<u>Moline Station Patron</u>	<u>Forwarded</u>	<u>Received</u>
Moline Elevator	41	22
* Martin Marietta	301	-
Sub Total	<u>342</u>	<u>22</u>
<u>Longton</u>	<u>Forwarded</u>	<u>Received</u>
* Longton Coop	1	-
* Far Mar Co.	25	-
Sub Total	<u>26</u>	<u>0</u>
<u>Grenola</u>	<u>Forwarded</u>	<u>Received</u>
Gerry Kelly	3	-
Lynn Kelly	1	-
* Grenola Elevator	30	-
Sub Total	<u>34</u>	<u>0</u>
Grand Total	<u>===== 402</u>	<u>===== 22</u>

* Designates patron on Santa Fe Credit Accommodation List

Traffic Study

Longton, Kansas

1982
(January through October)

CARLOADS FORWARDED

<u>COMMODITY</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>TOTAL</u>
Wheat						8	17	1					26

CARLOADS RECEIVED

<u>COMMODITY</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>TOTAL</u>
													None

Traffic Study

Moline, Kansas

1982
(January through October)

CARLOADS FORWARDED

<u>COMMODITY</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>TOTAL</u>
Stone	-	-	75	49	14	15	-	13	49	86			301
Wheat	-	-	-	-	-	9	30	2	-	-			41
TOTAL	0	0	75	49	14	24	30	15	49	86			342

CARLOADS RECEIVED

<u>COMMODITY</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>TOTAL</u>
Feed	3	2	3	2	1	1	1	2	1	4			20
Fertilizer	-	-	-	-	-	-	-	-	1	1			2
TOTAL	3	2	3	2	1	1	1	2	2	5			22

- 8-2403 Dealer licenses
- 8-2404 Dealer, manufacturer licenses; fees and bonds
- 8-2405 Insurance requirements
- 8-2406 D-tags
- 8-2407 Temporary permits
- 8-2408 Reports, records, etc
- 8-2409 15-day registration permits
- 8-2410 Violations
- 8-2415 Warranty defects
- 8-2419 Liability of manufacturers for defects
- 8-2424 Mobile home sales agreement.