

Approved April 9, 1986  
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator August "Gus" Bogina at  
Chairperson

11:00 a.m./p.m. on April 2, 1986 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Robin Hunn, Scott Rothe, Paul West  
Revisor's Office: Norman Furse  
Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

Rick von Ende, University of Kansas  
Susan Irza, Director of Personnel, Department of Administration  
Terri Rosselot, Kansas State Nurses Association  
Stan Koplik, Executive Director, State Board of Regents  
Senator Fred Kerr, by written testimony  
Senator Bob Frey  
Senator Joe Norvell  
Chas. Belt, Wichita Area Chamber of Commerce  
Howard Partington, Administrator, City of Great Bend  
Mark Mingenback, Chairman, Transportation Committee of the Great Bend Ec.Dev.Bd.  
Bob Collins, Executive Vice President, Hays Chamber of Commerce

SB 654 - University of Kansas Medical Center, nurses' pay rate differentials

Mr. von Ende explained that this bill would place in statute what is now being placed in provisos of annual appropriations bills. There were questions from Senator Gannon requesting clarification of the language in the bill.

Ms. Irza distributed her testimony (Attachment A) and reviewed it for the committee. There was a brief discussion following her testimony.

Ms. Rosselot distributed written testimony (Attachment B) and discussed its contents with the committee.

Senator Bogina asked Mr. von Ende for additional comments. He responded by indicating that the purpose of the bill was to decrease work in preparing appropriations bills. He added that, if the proposal is creating confusion, it probably should not be passed.

Following a brief discussion, a motion was made by Senator Feleciano and seconded by Senator Gaines to report SB 654 adversely. The motion carried by roll call vote.

SB 656 - Sponsored research projects and funds, educational institutions under the state board of regents

Mr. von Ende explained that this is suggested for the same purpose as SB 654, to place in statute what is now being placed in appropriations bills provisos. There were no additional conferees on this measure.

Motion was made by Senator Gaines and seconded by Senator Feleciano to report SB 656 favorably for passage. The motion carried by roll call vote.

SB 659 - University of Kansas, press publications, transfers from other state educational institutions

Mr. von Ende provided the same explanation as for SB 654 and SB 656 above. There were no other conferees on the proposal.

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 SENATE COMMITTEE ON WAYS AND MEANS,  
room 123-S, Statehouse, at 11:00 a.m./p.m. on April 2, 1986

SB 659 - Continued

Motion was made by Senator Gaines and seconded by Senator Feleciano to report SB 659 favorably for passage. The motion carried by roll call vote.

SB 660 - Kansas Technical Institute, sales of renovated aircraft, purchase of aircraft

Mr. Koplik explained that this affects Kansas Technical Institute, and places into statute present authorization which is now provided each year in the appropriations bill. He then briefly explained the provisions of the bill.

Motion was made by Senator Gannon and seconded by Senator Talkington to report SB 660 favorably for passage. The motion carried by roll call vote.

SB 646 - Retirement annuities of faculty and other persons by state board of regents

Mr. Koplik explained that this proposal authorizes a change in current law affecting retirement annuities for unclassified board of regents employees. He explained that, at the present time, people who come to the state of Kansas for employment by universities are required to wait two years to be included in the retirement plan. He added that some people come to Kansas with contracts, and some come without contracts. The faculty employees who have contracts do not have to wait, but those without must wait two years. The Board of Regents wants all hirees to know they have the option of being covered by the State of Kansas immediately.

Mr. Koplik continued by explaining that, under the provisions of SB 646, the new employees coming into Kansas would have the option of electing to become covered by the Board of Regents retirement annuities immediately. If they choose not to do so, they will wait two years to begin coverage. Mr. Koplik said the fiscal note would be approximately \$450,000 to \$500,000, and the Board of Regents will absorb that increase. He added that it would be spread among the various institutions. The cost would range from \$150,000 at the University of Kansas to \$5,000 or \$6,000 at Pittsburg State University. At Senator Bogina's request, Mr. Koplik furnished him a copy of the estimated cost of SB 646. (Attachment B-1).

Senator Winter expressed concern about distributing costs among various institutions, noting that some universities have quite a lot of money left for salaries, and others are very short in that area. Mr. Koplik stated that this issue was not necessarily a part of the philosophical discussion as to whether or not a bill should be passed. He said each president and all members of the Board of Regents are in favor of the proposal. He added that the discrepancy Senator Winter noted is a separate consideration.

Senator Bogina asked if other states have a provision such as is being proposed in SB 646. Mr. Koplik said that most states provide for coverage immediately; and that one of the reasons the bill is requested is in response to competition.

Mr. von Ende reiterated what Mr. Koplik noted concerning the problem with coverage of newly hired personnel. He said that someone who understands the process can get a TIAA number by getting a policy number, thus being eligible for immediate coverage. They do not have to be involved with other institutions. Those who do not understand the process do not know how to get the number and cannot participate in TIAA immediately upon being hired by a state educational institution under the jurisdiction of the Board of Regents. He reminded the committee that they had discussed the issue last year and did not pass it because of the fiscal note.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,  
room 123-S, Statehouse, at 11:00 a.m./p.m./on April 2, 1986

SB 646 - Continued

There were no additional conferees on SB 646. No action was taken on the measure.

SB 693 - Turnpike Authority to study feasibility of certain turnpike or freeway projects

Senator Frey indicated that Senator Kerr was unable to attend the meeting because of another meeting, but that he had left written testimony in favor of the bill. (Attachment C)

Senator Norvell read from prepared testimony (Attachment D). Senator Gaines asked about suggestions for funding the study authorized by SB 693. Senator Norvell said some of the income from a one-cent sales tax increase could be used for that purpose.

There was a brief discussion about possible funding of the study. Senator Norvell concluded his testimony by noting that there would be savings to farmers and truckers to have the highway, because of the decrease in mileage from one place to another, and he suggested they may be happy to pay tolls.

Senator Frey displayed a map showing the routes proposed to be studied. The map also showed the amount of traffic in the areas being discussed.

Senator Frey stressed that Wichita depends a great deal upon movement both into and out of the city from the west. He added that Highway 54 serves as a major transcontinental way, and three carriers travel that highway at the present time with interstate transportation of freight. He said that, at a time when economic development is at the forefront in Kansas, the study authorized by SB 693 makes sense.

Senator Frey stated that there are very few bus routes left in Western Kansas, and airlines are minimal. There is only one passenger train route, and all that is left is highways. He commented that the future necessitates that the area concentrate its efforts on good highways.

There were questions about the efforts being made in other states to develop four lane highways. Senator Frey said that Oklahoma and Texas are active in that effort.

Mr. Belt presented his written statement and reviewed it for the committee. (See attachment E) There were questions from committee members and a brief discussion concerning the matter.

Mr. Mingenback presented Mr. Partington's written testimony, and reviewed it before the committee (Attachment F). Committee members were given the opportunity to question him.

Mr. Collins distributed copies of his prepared testimony (Attachment G). He indicated that the City of Hays supports Senator Norvell's comments, and are strongly supportive of SB 693. He stressed that he would like to have the proposed study as part of an overall highway picture in Kansas.

Senator Bogina noted that representatives from the Cities of Pratt and Hutchinson had planned to appear, but had been detained because weather conditions were not conducive to flying.

Senator Kerr said SB 693 is a bill of extreme importance to the Hutchinson area. He added that it is the number one priority of Hutchinson to get a four lane highway to Wichita. He said the city wants the highway so badly that the community has paid \$30,000 for an engineering study of their own. He concluded that the highway is desperately wanted and needed.

No action was taken on SB 693.

The meeting was adjourned by the Chairman.

Testimony to  
Senate Ways and Means  
on Senate Bill 654

by  
Susan Irza, Director of Personnel Services  
April 2, 1986

Mr. Chairman, members of the Committee, I appreciate the opportunity to appear before you to comment on Senate Bill 654.

The Department of Administration recognizes that the University of Kansas Medical Center and other State institutions must make use of shift differentials to compete in local job markets to attract and retain needed staff.

Senate Bill 654 would provide the Medical Center with an automatic yearly shift differential of 10% for nursing personnel working between 3 p.m. to 7 a.m.

There is no question that shift differentials are necessary to the conduct of State business but we suggest these points to you:

- 1) The shift differential for the Medical Center nursing staff can be addressed effectively under K.A.R. 1-5-28(c) which states that shift differentials are set by the Governor upon recommendation of the Secretary of Administration. The amount recommended by the Secretary of Administration is based on salary surveys, shift differential pay practices in the geographic area in which user institutions are located as well as recruitment, retention and turnover data for the agencies using shift differentials.

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- 2) This bill separates the Medical Center nursing staff from all other Medical Center staff affected by shift differential.
- 3) This separates the Medical Center from all other State health care institutions using shift differentials:

Topeka State Hospital  
Osawatomie State Hospital  
Kansas Neurological Institute  
Parsons State Hospital  
Norton State Hospital  
Winfield State Hospital  
Larned State Hospital  
Rainbow Mental Health Facility

Kansas Soldiers Home

Other Regents Institutions having 24 hour health care facilities.

- 4) K.A.R. 1-5-28(c) provides sufficient flexibility to deal effectively with the Medical Center nursing shift differential needs.
- 5) The present bill does not allow flexibility in the amount of the differential. There is no provision to increase or decrease the 10% differential to match fluctuation in the Kansas City market.

Although the Department of Administration does not support this bill for the reasons noted above, it does support letting this bill lapse with the understanding that shift differential for nurses at the Medical Center will be included in the regular yearly administrative process used to deal with this form of compensation in all other State health care institutions.

For Further Informatin Contact:

Terri Rosselot, R.N.  
Executive Director  
(913) 233-8638

Mr. Chairman and members of the Senate Ways and Means Committee, my name is Terri Rosselot and I am a registered nurse representing the Kansas State Nurses' Association. I'd like to present a few technical changes to SB 654 in the hopes that it will more accurately reflect the current practices of pay differential to the nurses employed at KU. There exists some staffing on non-traditional staffing patterns at KU.

3am-11:30pm	145-150 Licensed nurses (includes RN's and LPN's)
11am-7:30pm	80-85 Licensed nurses
11am-11pm	12 Hour shift, mostly in critical care areas
11am - 7pm	Approximately 10 licensed nurses

The language in the bill "commencing on" is restrictive to those nurses beginning their shifts after 3pm and by striking the language it provides payment for shift differential to those nurses who work 11-11 (12 hour shifts) and 11am-7pm for the times after 3pm that they work. The current practice at KU is to pay only the shift differential of 10% after 3pm, regardless of when the shift begins. These amendments would reflect current payment practices more clearly.

The "ending on or before 7am" is not totally accurate due to the shift overlap for reporting to the next shift. The current practice is to work 11pm-7:30am and be paid the shift differential of 10%.

KSNA recommends the two technical amendments be considered to reflect the current practices of shift differential payment.

SENATE BILL No. 654

By Committee on Ways and Means

2-17

0017 AN ACT concerning the university of Kansas medical center;  
0018 authorizing certain pay rate differentials for nursing person-  
0019 nel.

0020 *Be it enacted by the Legislature of the State of Kansas:*

0021 Section 1. Subject to the provisions of appropriations acts,  
0022 the university of Kansas is authorized to provide a pay rate  
0023 differential for nursing personnel employed by the university of  
0024 Kansas medical center who are employed during work periods  
0025 ~~commencing on and~~ after 3 p.m. and ending on or before 7 a.m. 7:30  
0026 The pay rate differential shall be a pay increase for each such  
0027 employee employed during a work period ~~commencing on or~~  
0028 after 3 p.m. and ending on or before 7 a.m. of an amount equal to 7:30  
0029 an increase of 10% in such employee's rate of pay under the pay  
0030 plan in effect under K.S.A. 75-2938 and amendments thereto or  
0031 under any amendments to such pay plan, except that in no case  
0032 shall such pay rate differential provide additional pay at a rate  
0033 less than \$.20 per hour.

0034 Sec. 2. This act shall take effect and be in force from and  
0035 after its publication in the statute book.

Delete the words "commencing on and" in line 0025  
and the words "commencing on or" in line 0027.

Change the time of 7 a.m. to 7:30 a.m. to accommodate the  
current practice of shift overlay for change of shift reporting.

TABLE PREPARED AS  
OF MARCH 1985.

SALARIES OF UNCLASSIFIED PERSONS IN  
TWO-YEAR WAITING PERIOD DURING FY 1985  
(ESTIMATED)

	No. of Persons In Waiting Period	Total FY 1985 Budgeted Salaries	5% Retirement Contribution
KU	230	\$ 6,000,000	\$300,000
KUMC	88	2,200,000	110,000
KSU	278	5,300,000	265,000
KSUVMC	7	137,000	6,850
WSU	99	2,400,000	120,000
ESU	32	586,000	29,300
PSU	9	220,000	11,000
FHSU	46	1,100,000	55,000
KTI	9	217,000	10,850
<b>TOTAL</b>	<b>798</b>	<b>\$18,160,000</b>	<b>\$908,000</b>

approx. 1/2 the amount would be required since 50% of the people would fall into the system between 1985 and 1986. Also, need to adjust for a 6% contribution, rather than 5%. 450-500

S. W. J. M.  
4/2/86

SB 646

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STATE OF KANSAS



TOPEKA

SENATE CHAMBER

FRED A. KERR  
SENATOR, THIRTY-THIRD DISTRICT  
BARBER, COMANCHE, HARPER, KINGMAN, KIOWA,  
PRATT, STAFFORD, S. RENO,  
W. SUMNER COUNTIES  
ROUTE 2  
PRATT, KANSAS 67124-9802

COMMITTEE ASSIGNMENTS  
CHAIRMAN: ASSESSMENT AND TAXATION  
MEMBER: AGRICULTURE  
EDUCATION  
ENERGY AND NATURAL RESOURCES  
LEGISLATIVE AND CONGRESSIONAL  
APPORTIONMENT  
CHAIRMAN: MAJORITY PARTY CAUCUS

TESTIMONY ON SENATE BILL 693 TO BE PRESENTED TO THE SENATE  
WAYS AND MEANS COMMITTEE, ON APRIL 2, 1986.

Thank you, Mr. Chairman, for the opportunity for me to present testimony to the Senate Ways and Means Committee in support of Senate Bill 693. This measure would provide for a feasibility study on four-lane highway routes west of Wichita.

As we continue our efforts to provide a meaningful 1986 economic development package for Kansas, I think this bill is an important part of the agenda. It is essential for all areas of Kansas to be in a position to share in our business development efforts. This bill would assure the important transportation segment of our development efforts would be considered in the western half of the state.

The expense of highway construction has made the consideration of such construction, or even the feasibility of the construction, inappropriate to consider over routes west of Wichita during the last twenty years. However, now the changing construction cost patterns, along with the enhanced desire to see some balanced development in the state, has made the timing right for the feasibility study suggested in this bill. It is time for us to update the information upon which important highway advancement decisions are made. I urge your support of this bill so that informed judgments can be made.

Thank you for your consideration.

A handwritten signature in cursive script, appearing to read "Fred A. Kerr".

S. W. M. 4/2/86

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TESTIMONY IN SUPPORT OF S.B. 693 BY SENATOR JOSEPH F. NORVELL

S. B. 693 AUTHORIZES AND DIRECTS THE KANSAS TURNPIKE AUTHORITY TO STUDY THE FEASIBILITY OF CONSTRUCTING CERTAIN TURNPIKE PROJECTS OR FREEWAYS INCLUDING THE METHODS OF FINANCING AND PRESCRIBING THE LOCATIONS.

THE KANSAS TURNPIKE AUTHORITY THROUGH S.B. 693 IS AUTHORIZED AND DIRECTED TO STUDY THE FEASIBILITY OF CONSTRUCTING TURNPIKE PROJECTS OR FREEWAYS: (1) TO COMMENCE AND CONNECT WITH THE KANSAS TURNPIKE AT THE CITY OF WICHITA AND PROCEEDING IN A WESTERLY DIRECTION TO THE POINT WHERE U.S. HIGHWAY 50 CROSSES THE KANSAS-COLORADO BORDER; (2) TO COMMENCE AND CONNECT WITH THE KANSAS TURNPIKE AT THE CITY OF WICHITA AND PROCEEDING IN A WESTERLY AND SOUTHWESTERLY DIRECTION TO THE POINT WHERE U.S. HIGHWAY 54 CROSSES THE KANSAS-OKLAHOMA BORDER: AND (3) TO COMMENCE AND CONNECT WITH THE KANSAS TURNPIKE AT THE CITY OF WICHITA, AND PROCEEDING IN A NORTHWESTERLY DIRECTION TO THE CITIES OF HUTCHINSON, GREAT BEND AND HAYS.

THE STUDY OF THE FEASIBILITY OF SUCH PROJECTS SHALL BE BASED UPON THE USE OF EXISTING RIGHT-OF-WAY WHERE POSSIBLE, AND IN ADDITION SHALL INCLUDE: (A) AN ESTIMATE OF THE TOTAL COST OF EACH PROJECT; (B) A DETERMINATION OF THE EXTENT TO WHICH EACH PROJECT CAN BE FINANCED BY THE COLLECTION OF TOLLS OR BY ALTERNATIVE METHODS OF FINANCE; (C) THE INTEREST RATE AT WHICH ANY REVENUE BONDS AUTHORIZED COULD BE ISSUED: AND A PROJECTION OF THE POTENTIAL TRAFFIC VOLUME ON EACH PROJECT.

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THE FEASIBILITY STUDY SHALL BE COMPLETED BY DECEMBER 31, 1986, AND THE AUTHORITY SHALL SUBMIT A REPORT OF THE FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR AND THE 1987 SESSION OF THE LEGISLATURE.

IF THE KANSAS TURNPIKE AUTHORITY FINDS THAT THE CONSTRUCTION OF ANY OF SUCH PROJECTS ARE FEASIBLE AND RECOMMEND THAT ANY OF SUCH PROJECTS BE CONSTRUCTED THE EXPENDITURES MADE BY THE AUTHORITY IN CONDUCTING THE FEASIBILITY STUDY REQUIRED SHALL BE REGARDED AS A PART OF THE COST OF SUCH PROJECT AND SHALL BE REIMBURSED TO THE STATE TREASURER.

WE FORSEE THE ADDITIONAL SECTION OF HIGHWAYS AS NOT ONLY A VIABLE MEANS OF MOVING TRAFFIC, BUT ALSO AS AN ESSENTIAL ENHANCEMENT TO ECONOMIC GROWTH AND DEVELOPMENT IN WESTERN KANSAS.

WESTERN KANSAS SUPPLIES A LARGE SHARE OF ECONOMIC VITALITY TO THE STATE THROUGH AGRICULTURE AND PETROLEUM PRODUCTS. HOWEVER, THE VIABILITY OF TRANSPORTING THESE GOODS IS SEVERELY HAMPERED BY THE LACK OF A CREDIBLE HIGHWAY NETWORK TO MOVE OUR PRODUCTS TO A MAJOR HIGHWAY OR OTHER TRANSPORT FACILITIES.



**WICHITA**

APRIL 2, 1986

WICHITA AREA CHAMBER OF COMMERCE  
TESTIMONY BEFORE THE  
SENATE WAYS & MEANS COMMITTEE  
BY  
CHARLES BELT  
VICE-PRESIDENT, GOVERNMENT RELATIONS

AREA  
CHAMBER  
OF  
COMMERCE

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE. I AM CHARLES BELT, VICE-PRESIDENT, GOVERNMENT RELATIONS FOR THE WICHITA AREA CHAMBER OF COMMERCE, AND I APPEAR BEFORE YOU IN SUPPORT OF SB 693.

THERE IS A VITAL NEED FOR EXPANDED HIGHWAY DEVELOPMENT IN KANSAS AS PART OF A TOTAL ECONOMIC DEVELOPMENT PROGRAM. OUR STATE IS HINDERED BY TRANSPORTATION NEEDS WHICH HAVE GONE UNFULFILLED -- IMPACTING ECONOMIC DEVELOPMENT OPPORTUNITIES.

ECONOMIC DEVELOPMENT IS THE METHOD BY WHICH WE CAN EXPAND THE TAX BASE TO PAY FOR STATE AND LOCAL GOVERNMENT ACTIVITIES, AND CREATE JOBS FOR OUR CITIZENS. IT IS FOR THESE REASONS THAT THE WICHITA AREA CHAMBER OF COMMERCE STRONGLY SUPPORTS SB 693, WHICH WOULD PROVIDE FOR FEASIBILITY STUDIES FOR THE CONSTRUCTION OF TURNPIKES OR FREEWAYS FOR SEVERAL WESTERN

*S. Wilson 4/2/86*  
*E 4-2-86*

TESTIMONY  
APRIL 2, 1986  
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KANSAS HIGHWAYS. COMBINED WITH A SOUTHEAST KANSAS HIGHWAY,  
WE COULD TRULY ENHANCE THE ECONOMIC POSITION OF OUR STATE  
AND LITERALLY DOZENS OF COMMUNITIES ACROSS THE STATE.

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, SB 693 IS AN IMPORTANT  
PART OF THE CONCERTED EFFORT TO INSURE THE STATE OF KANSAS  
REMAINS COMPETITIVE IN THE NATIONAL -- AND INTERNATIONAL --  
MARKETPLACE.

WE URGE YOUR SWIFT AND FAVORABLE CONSIDERATION OF THIS  
LEGISLATION.

THANK YOU FOR THE OPPORTUNITY TO APPEAR TODAY.





ECONOMIC DEVELOPMENT COMMISSION

BOX 400 • 1307 WILLIAMS • GREAT BEND, KANSAS 67530 • (316) 792-2401

POSITION STATEMENT

Chairman Bogina and Ways Means Committee Members:

I am Howard Partington, City Administrator for the City of Great Bend and a member of the Great Bend Economic Development Board. I am here today representing varied interests in Barton County who are supportive of Senate Bill 693 and also Senate Bill 492 which together will provide funding for a feasibility study for a new four-lane highway connecting I-70 near Hays to I-44 near Joplin, Missouri.

It is my understanding that several organizations and businesses in Barton County have submitted to members of this committee letters or resolutions of support for Senate Bill 693. These include The Fuller Brush Co., DaMac Drilling, the Great Bend Economic Development Board, the City of Great Bend, the Barton County Board of Commissioners, the Hoisington Chamber of Commerce, and the Great Bend Chamber of Commerce.

It is our opinion that successful economic development in Kansas cannot be separated from the issue of adequate highway transportation to all corners of the state. Without a good system of freeways and toll roads to facilitate the movement of raw and finished goods, the retention of existing manufacturing facilities with all important jobs is a most difficult task. The task of attracting new companies to invest capital and create new manufacturing jobs in Kansas is likewise impossible in rural areas of the state where there is a lack of four-lane highways.

Agriculture remains the number one industry in Kansas and it is our opinion that a four-lane highway to facilitate the shipment of western Kansas small grains to the Port of Catoosa near Tulsa, Oklahoma is imperative. It appears to us that the financial feasibility of the proposed project rests in large measure on this factor.

In terms of dollars and cents, the new diagonal highway between Hays and Wichita translates into a savings of \$68.40 for each round trip made by a truck. This is based on the current trucking rate of \$1.14 per running mile and the premise that the diagonal will reduce the distance between Hays and Wichita by about 30 miles. The savings in time is also an important dollar and cents issue.

It is interesting to note that the first recommendation made in the economic development study by the University of Kansas pertained to agriculture. That recommendation involved three tasks all of

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which would result in the diversification of Kansas agriculture into new products and the application of science and technology to the value added processing of Kansas commodities within Kansas. It is our opinion that the ability to adequately address the report's tasks correlates in a direct sense to the state's ability to provide an efficient highway system. We do not believe that the tasks of processing and market development will occur in the western areas of Kansas without adequate four-lane highways. We need major corridors whether they be freeways or turnpikes.

During this session of the Legislature when the buzzword is economic development, it is time to re-adjust our thinking about highways in western Kansas. We must think of an improved highway system as an investment in economic development which will spur considerable growth and therefore generate an increased flow of highway traffic. We should not think of improving highways only when heavy traffic flows warrant it.

We in Barton County are committed to the future of Kansas as we pursue our goals and objectives of improving the economy of our area. We only hope you pay attention to what our largest employer said in a letter of support. The Fuller Brush Company, with more than 500 employees and an annual \$7.5 million payroll, said: "The one major drawback that we have is the logistics of moving raw materials to our facility and finished goods to our markets. The proposal of Senate Bill 693 will clearly alleviate some of the burden".

Therefore, gentlemen, we urge you to stamp your approval on SB 693.

POSITION STATEMENT -- SB 693

Chairman Bogina, Members of the Senate Ways and Means Committee:

I am Bob Collins, Executive Vice President of the Hays Chamber of Commerce. I appear before you today in support of SB 693 on behalf of the Hays Chamber of Commerce, The Ellis County Economic Development Department, Ellis County, The City of Hays, and the surrounding area.

Historically, economic development has flourished along the most easily travelled and direct routes open to man, be they on land, water, or in the air. Throughout its history, Kansas has witnessed this process which started with the trails carved by early pioneers moving to the southwest, west, and northwest. Our present river, rail, and highway systems are the product of those early efforts. All of them have required courage, imagination, large financial investments, and sacrifices. All of them were and are part and parcel of the state's economy as well as the economies of the cities and towns along their routes. A most significant example, to name just one, is the area southwest of Kansas City along the interstate system that has been implemented during the last four decades. Western Kansas, due to its present economic woes, must look ahead and set the stage for a healthy economic future to lessen the uncertain mood swings of its economic base -- agriculture and oil -- over which it has little or no control due to their national and international characteristics. Western Kansas must diversify its economy to gain some semblance of control over it. One way is to develop a state of the art highway system to facilitate commerce between and among the economic centers of the northwest and southeast regions of the United States and within the immediate region itself. Unfortunately, Western Kansas cities and towns will not be able

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to develop their economies unless their highway system is significantly upgraded. It must be added that our Western Kansas cities' highway needs are magnified by deteriorating and declining rail and air services. The day when means of transportation were initiated to generate economic development seems to have given way to policies designed to only correct serious physical problems. Policies and philosophies of this nature can only be counterproductive.

Countless economic and political changes have taken place during the twenty or thirty years since turnpikes and four-lane highways for Western Kansas have been seriously considered. There are those who believe that more effort was exerted to disprove rather than to prove their feasibility because of a cannot-do rather than a can-do attitude.

Although for many years agriculture served to cushion the adverse national balance of trade, it is often maligned and its value and potential unappreciated. It should not be. Neither should the petroleum industry be taken for granted. Since the inception of the severance tax, Ellis County alone has contributed more than \$14,000,000 to the state's coffers. Fifty-four counties in Western Kansas contributed a total of \$231,000,000 during the same period. Both are natural segments of the state's economy which should be nurtured and developed. One should not ignore the goose that lays golden eggs.

Considering the amount of time needed to plan and build highways, we are already dealing with target dates well in the 21st century. Upon scrutiny that may well mean that we have already lingered too long, SB 693 is, therefore, the first step of the journey of a thousand miles that must be undertaken.