

Approved March 15, 1989
Date

MINUTES OF THE House COMMITTEE ON Transportation

The meeting was called to order by Rex Crowell at
Chairperson

1:30 ~~am~~/p.m. on February 8, 1989 in room 519-S of the Capitol.

All members were present except:
Representative Gross

Committee staff present:

Bruce Kinzie, Revisor of Statutes
Hank Avila, Legislative Research
Donna Mulligan, Committee Secretary

Conferees appearing before the committee:

Mr. Ernie Mosher, League of Kansas Municipalities
Mr. John Torbert, Kansas Association of Counties
Mrs. Mary Turkington, Kansas Motor Carriers Association
Mr. John Friend, Wichita Paratransit Council
Mr. James Birkbeck, Holton Area Chamber of Commerce
Mr. Ray Barmby, Mayor, Olathe
Ms. Marilyn Swartley, Olathe Economic Development Advisory
Mr. Frank Devocelle, Olathe Medical Center
Mr. Bill Pollock, Ft. Scott Area Chamber of Commerce
Mr. Edward Roitz, Kansas Oil Marketers Association
Mr. Vernon Green, Kansas City, Kansas

The meeting was called to order by Chairman Crowell, and the order of business was continued hearings on HB-2014 concerning the maintenance, building and financing of highways.

Mr. Ernie Mosher, League of Kansas Municipalities, testified in support of HB-2014. (See Attachment 1)

Mr. Mosher stated the League is generally supportive of the program objectives of HB-2014, and share with others a real concern about the future adequacy of the state highway system, and supports 1) added construction and reconstruction to meet priority needs, 2) an increased maintenance level for existing highways and bridges, 3) the maximized use of available federal funds, and 4) the provision of needed system enhancements.

Mr. Mosher said in order to secure these objectives, the League supports an increase in motor vehicle registration fees, an increase in motor fuel taxes, additional transfers of revenue from the general fund to the state highway fund in recognition of sales tax collections from highway users, and the issuance of bonds.

Mr. Mosher stated the League has not taken a position either for or against a sales tax increase for highway purposes. He added that they continue to support increased local sharing of state sales tax revenue for general government purposes and property tax reduction, by increased allocations to the county-city revenue sharing fund and local ad valorem property tax reduction fund.

Mr. Mosher added the League does not support highway bonds for maintenance and operating costs, but believe it is appropriate and in the public interest to utilize bonds for needed capital improvements -- to use debt for improvements to permit a "use and pay" system rather than a "pay now and use later" system.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,
room 519-S, Statehouse, at 1:30 ~~am~~/p.m. on February 8, 1989

Mr. John Torbert, Kansas Association of Counties, presented testimony in support of HB-2014. (See Attachment 2)

He said the Kansas Association of Counties supports a major highway initiative which should be funded by fuel tax and motor vehicle registration fee increases. Mr. Torbert commented that they are supportive of bonding if bonding will guarantee enough revenue for a viable highway program assisting all units of government. Mr. Torbert reported the KAC does not favor indexing of the tax on fuel.

Mr. Torbert said the problems experienced at the local level with the road and bridge system are at least as bad as those experienced within the state system. He reported that in excess of 80 percent of the total public road miles in Kansas are county or township roads (110,000 miles out of a total of 132,642 miles).

Mr. Torbert said of the 25,700 bridges in Kansas, 19,766 or 77 percent are on the county system. He reported that more than 11,000 of these bridges are substandard and need to either be fully replaced or substantially rehabilitated. Mr. Torbert said Kansas ranks third in the country in the number of deficient bridges.

Mrs. Mary Turkington, Kansas Motor Carriers Association, testified in support of HB-2014. (See Attachment 3)

Ms. Turkington expressed support for HB-2014 being fully aware of the substantial tax increases which must be accomodated by the trucking industry. She said the major justification for supporting such tax increases in the face of such overwhelming odds is that this proposal offers Kansans a program with funding adequate to allow proper planning and utilization of tax dollars, and accountability in terms of being able to measure work done in restoring and preserving the system of streets and highways so essential to the future of Kansas.

Mrs. Turkington said they strongly support the sales tax transfer to the highway fund of user fees collected as sales tax on new and used vehicles, and suggested that the committee consider expanding that category to include sales tax dollars collected on the sale of parts and accessories.

She said it is strongly believed that appropriate funds must be allocated to local units of government to meet their street and highway needs

Mrs. Turkington said they are fully aware of the demands on the State's General Fund for traditional funding responsibilities, but suggests that an appropriate amount of revenue from this tax base well might be added to the highway funding formula not at the expense of these other vital state services, but in addition to the tax dollars now levied through sales tax collections.

Mr. John Friend, Wichita Paratransit Council, Inc., testified in support of HB-2014. (See Attachment 4)

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,

room 519-S Statehouse, at 1:30 ~~a.m.~~/p.m. on February 8, 1989.

Mr. James Birkbeck, Holton Area Chamber of Commerce, spoke in support of HB-2014. (See Attachment 5) He related that Highway 75 north of Topeka is very dangerous, and in a 5-year period from 1983 through 1987 there were 221 accidents, 15 fatalities and 123 injuries. Mr. Birkbeck encouraged support of HB-2014.

Mr. Ray Barmby, Mayor, Olathe, Kansas testified in support of HB-2014. (See Attachment 6)

Mr. Barmby said state highways should be funded as much as possible by those who use them, therefore, is supportive of the use of fuel taxes and registration fees to service bonded indebtedness, fund operations, and aid transportation program for the elderly and handicapped.

Mr. Barmby said they are not generally supportive of increasing the state sales tax for a specific program such as highways, but if a sales tax (or impact fee or excise tax) was applied to the sale of motor vehicles, parts and accessories rather than food, clothing, and medicine, such a tax would be more equitable.

Ms. Marilyn Swartley, Olathe Economic Development Advisory Council, testified in favor of HB-2014. (See Attachment 7)

She said the economic impact of new highways, upgraded existing highways and intersections cannot be denied. She added that if we are to continue to attract new industry and encourage existing industry expansion, we must keep up with our transportation needs.

Ms. Swartley said this can only be done through a comprehensive highway package that addresses the state's needs financed by broad based funding sources such as fuel taxes, vehicle registration fees and sales tax transfers from the sale of motor vehicles and parts.

Mr. Frank Devocelle, President, Olathe Medical Center, spoke in support of HB-2014. (See Attachment 8)

Mr. Bill Pollock, President, Ft. Scott Area Chamber of Commerce, spoke in support of HB-2014. (See Attachment 9)

He said they support the Legislature in its search for new long-term funding through a combination of increased taxes and long-term bonds.

Mr. Edward Roitz, President, Kansas Oil Marketers Association, spoke concerning HB-2014. (See Attachment 10)

He said the KOMA strongly supports a program of constructing, reconstructing, maintaining and improving Kansas highways by an increase in the retailers sales tax, an increase in the amount transferred from revenue collected from the sale of motor vehicles and parts, and an increase in vehicle registration fees.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,
room 519-S, Statehouse, at 1:30 ~~am~~ p.m. on February 8, 1989

Mr. Roitz said it is realized that motor fuel taxes paid by Kansas taxpayers are an integral part of the funding needed for highways, but pointed out the adverse effects of a large disparity in the fuel tax rates of Kansas and neighboring states.

Mr. Roitz reported that one year after Missouri tightened the gap that existed between Kansas diesel fuel taxes and Missouri diesel fuel taxes to a 2¢ differential, Kansas experienced an unprecedented increase of 11.7 percent in revenue collected from these taxes.

Mr. Vernon Green, Kansas City, Kansas, testified on HB-2014. He indicated he is in favor of a comprehensive highway program in Kansas, but said a 4¢ increase in motor fuel taxes would be disastrous to border businesses in Kansas.

The meeting was adourned at 3:20 p.m.


Rex Crowell, Chairman

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NAME	ADDRESS	COMPANY/ORGANIZATION
James A. Hague	Courthouse, Abilene	Dickinson County
MIKE GLOGAN	TOPEKA	KDOT
FRANK EATON	MANHATTAN	S.E. KS CITIES
LEE CAIN	INDEPENDENCE	Co Commissioner
Jay Immel	Holton	Chamber of Commerce
Timmy Kirkbeck	Holton	" " "
J. V. Anty	Holton	" " "
David Schuman	Holton, Kansas	
Chuck Hesselhor	Beloit KS	Farmway Coop
KENT MILLER	Beloit KS	" "
JOHN NEAL	HUTCHINSON, KS	HIGHWAY COMMITTEE
Carl Hill	Topeka KS	KMCA
Cint McConnell	Topeka	UPI
Joe Weiler	Topeka	KOMA
Myra Stungren	Olathe	SWJK
Ed Roitz	Pittsburg, KS	KOMA
NILES HAUSER	SALINA	KOMA
Charles Nicolay	Topeka	Ko. Pil. Marketers Assn
Blenda Winkle	Russell	Chamber of Commerce
PHILLIS OSBORN	EIK FALLS	KOMA
Janette Hargrave	Topeka	KS Public Transit Assn
Alba D. Ward	WSPC WICHITA	
John R Friend	WICHITA	WICHITA PARATRANSIT Council, INC.
RAY BARMBY	OLATHE	MAYOR
Marilyn Swartley	Olathe	city council
Don Seifert	Box 768 Olathe, 66061	City of Olathe

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NAME	ADDRESS	COMPANY/ORGANIZATION
Frank A. Donallo	215 W 15 th St Clatta	Clatta Med Center
Neal Orban	RR1 Box 31 Elliptical	KOMA
George Barber	Topeka	Ks Consulting Engneer
Bill Army	Topeka	Ks Engineering Society
Shelley Sutton	Topeka	"
Bill Pollock	Fort Scott	Fort Scott Area Chamber of Commerce
Gary Wyandor	Merriam, KS	KOMA
Wynn Gunn	2400 W 47 th Rd	Independent Retailer
BRYAN BEAVER	LENEXA	KOMA
HAROLD C. PITTS	Topeka	KCOA
Loren Dechow	Concordia	KOMA
Judy Rainels	Topeka	Econ. Life
John Coulter	Topeka	Ks Contractors Assoc.
ED DE SOIGNIE	TOPEKA	KS. CONTRACTORS ASSOC.
Earl G. + Eloise Mueller	705 S. Coble, Marion	KOMA
Jan Penaford	Topeka	KTOP Radio
Judy Arches		KDOT
Tom Wilhelm	Lanewood	Gai Laurson
Margie Wathus	Cuba	KOMA
Shirley Thomas	Elliptical	Clk of Sherman Co. Clerk
Malone Rigg	Hiw City	Sherman Co. Clerk office
Alan Wathus	Cuba, KS	K.O.M.A.
Sonnie Johnson	Whitola, Leoti, Ke	County Clerk
Lawrence Wiese	Wichita, Co. Topeka, Kans	County Commissioner
Ed Costan	Topeka	Manager of KMA
Rebecca Fin	Topeka	Ameco

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NAME	ADDRESS	COMPANY/ORGANIZATION
Patrick McGRATH	Owensland Park	Aid. Everhart
Tom Whitaker	Topeka	Ks Motor Carriers Assn
Mary Turkington	Topeka	Ks Motor Carriers Assn
John Torbert	"	Ks. Assn of Counties
Don Lindsey	OSAWATOMIE	UTU
Jim Shepherd	Emporia	KOMA
Clay Dark	Attica	KOMA
Jack Day	Attica	KOMA
Maryann Schaefer	Belpre	Co. Comm.
Edward E. Schaefer	Belpre	Farmer-Banker
Arthur D. Stiebe	Kinsley	Co. Comm.
Cliff Hamel	Kinsley 15	Co. Comm.
Sally Farrell	Topeka	Kansas Assoc of Counties
Del Miller	Topeka	KDOT
Paul F. Fleener	Manhattan	Kansas Farm Bureau
HARVEY LEAVER	LEAVENWORTH CO	DIE PUBLIC WORKS
DUANE MUETING	NEMAHIA COUNTY	Ks. Assoc. of County Engrs.
Robert Haley	Topeka	KDOT
Connie Saxe	Owensland Park	—
Joi Grant	Troy	KOMA
Gay D. Davies	Troy, Ks	KOMA
Harold Taylor	Wellsville KS.	K.O.M.A.
Robert Edgar	Colby, Ks	Kans. Cit. Builders Assn.
Harrill Edgar	Colby, Ks	KDOT
Dee McKee	RR2 Spearville	Ford Co. Commissioner



League
of Kansas
Municipalities

Municipal
Legislative
Testimony

An Instrumentality of its Member Kansas Cities. 112 West Seventh Street, Topeka, Kansas 66603 Area 913-354-9565

TO: House Committee on Transportation
FROM: E.A. Mosher, Executive Director
RE: HB 2014 -- Highways--Highway Finance Act
DATE: February 8, 1989

The League supports enactment in 1989 of a comprehensive state-local highway program. Reproduced at the end of this statement are excerpts from the League's convention-adopted Statement of Municipal Policy on this issue.

Program Objectives

We are generally supportive of the program objectives of HB 2014, as outlined in Section 1. Municipal officials share with others a real concern about the future adequacy of our state highway system, and support (1) added construction and reconstruction to meet priority needs, (2) an increased maintenance level for existing highways and bridges, (3) the maximized use of available federal funds, and (4) the provision of needed system enhancements. In addition, we have a special interest in the objective of increasing the state's participation in a transportation partnership with cities and counties. This includes:

- (1) Continuation and expansion of the program for geometric improvement of connecting links;
- (2) an increase in payments to cities for the maintenance of state highway connecting links to \$2,000 per lane mile;
- (3) continuation and expansion of the economic development project grant program; and
- (4) the allocation of about \$300,000 annually in aid for the transportation of the elderly and handicapped.

Financing the Program

The League, by convention action, has declared that the primary objective of a comprehensive state-local highway program should be to (a) secure the maintenance and preservation of our existing state and local highway system, (b) obtain improvements to our state and local highway system for the safety and convenience of the public, and (c) promote the economic development of the state and its communities.

To secure these objectives, we support an increase in motor vehicle registration fees, an increase in motor fuel taxes, additional transfers of revenue from the general fund to the state highway fund in recognition of sales tax collections from highway users, the issuance of bonds, and "other methods of financing our state and local highway needs."

*President: Douglas S. Wright, Mayor, Topeka * Vice President: Irene B. French, Mayor, Merriam * Past President: Carl Dean Holmes, Mayor, Plains
* Directors: Margo Boulanger, Mayor, Sedan * Nancy R. Denning, Commissioner, Manhattan * Ed Eilert, Mayor, Overland Park * Greg Ferris,
Councilmember, Wichita * Frances J. Garcia, Commissioner, Hutchinson * William J. Goering, City Clerk/Administrator, McPherson * Jesse Jackson,
Commissioner, Chanute * Richard U. Nienstedt, City Manager, Concordia * David E. Retter, City Attorney, Concordia * Judy M. Sargent, City Manager,
Russell * Joseph E. Steineger, Mayor, Kansas City * Bonnie Talley, Commissioner, Garden City * Executive Director: E.A. Mosher*

Attach. 1

Sales Taxes. The League has not taken a position either for or against a sales tax increase for highway purposes. In considering the sales tax approach, the League Governing Body deferred a formal decision because of the conviction that a statewide sales tax, at this time, is politically possible only with strong support from the Governor. Until such time as this occurs, the League Governing Body took action to support sharing of the motor fuel tax increase, with full knowledge that the sharing in HB 2014 may provide more growth revenue for local units than would fuel tax sharing. I should add that we continue to support increased local sharing of state sales tax revenue for general government purposes and property tax reduction, by increased allocations to the county-city revenue sharing fund and local ad valorem property tax reduction fund.

Financing Components

With this general background, we suggest your serious consideration of the following revenue and finance components for a comprehensive highway program:

(1) Motor Fuel Taxes. Increase motor fuel taxes by .07¢ per gallon, on a phased-in 4-1-1-1 basis (.04¢ on 7/1/89, .01¢ on 7/1/90, .01¢ on 7/1/91 and .01¢ on 7/1/92).

(2) Registration Fees. Increase motor vehicle registration fees to substantially the same level as set forth in HB 2014. We understand that this would result in a general average increase of about 52% on passenger vehicles (including pickups), and about 30% on freight vehicles.

(3) Sales Tax Transfer. Increase the sales tax transfer from the general fund to the highway fund to 12% of total collections (compared to 10% in HB 2014), to cover sales and use tax collections on accessories and parts and labor as well on the sale of new and used vehicles.

(4) Bonding. Increase the maximum amount of authorized bonds, issued as early as possible, with interest earnings maximized to the extent permitted by federal arbitrage regulations.

(5) Local sharing. In the absence of the proposed sales tax increase, provide for local sharing of not less than 35% of motor fuel tax collections from the increased taxes.

(6) Program Period. Recognize that we are not going to stop building and maintaining highways at the end of FY 2000, and that it may be essential to conform the initial program objectives to projected revenue and bond receipts.

Sales Tax Increase. As noted above, the League does not now have a position on the sales tax component of HB 2014. It, and other proposals like removing the sales tax exemption on motor fuels, obviously merits consideration for any package that can get at least 63 votes in the House and 21 in the Senate.

Local Sharing.

We believe a 35% sharing of the increased motor fuel tax collections (or sales tax equivalent) is the minimum acceptable level for a true state-local partnership, and would prefer continuation of the present 40.5% level. At the present time, 40.5% of total motor fuel tax receipts, less transfers to the

alcohol producer incentive fund, is credited to the Special City and County Highway Fund (plus 35% of any receipts from future indexation increases). This sharing proportion recognizes that 100% of the revenue from vehicle registration fees, and 100% of the amount from sales tax transfers, is not shared with local units.

According to the figures in the "Highway Finance Alternatives" report of January 31, 1989 the following new revenues would be raised from the options proposed above, for the eleven year period: fuel taxes on a 4-1-1-1 basis: \$744 million; registration fees at HB 2014 level: \$318 million; 12% sales tax transfer: \$521 million, for a total of \$1.583 billion. A 35% local sharing of the increased fuel taxes would total \$260.4 million. This is equal to 16.4% of the estimated total revenue from these sources.

We call to your attention that 92.8% of the public road mileage in Kansas (132,931 miles) is under the jurisdiction of cities, counties and townships, according to KDOT's "1988 Selected Statistics". While some of these local roads are not large generators of highway user revenues, city streets (excluding connecting links) account for 26.9% of vehicle travel in Kansas, and county and township roads carry another 17.2%, for a total of 44.1%. With the addition of the 1,089 lane miles of city-maintained connecting links, which includes some of the heaviest traveled highways in the state, we would estimate about half of all the travel in Kansas occurs on facilities under local jurisdiction.

To those statistics we add the facts that the local property tax and other local revenue sources do not now permit most local governments to increase even the current level of maintenance of local roads and streets.

To summarize, we think a comprehensive highway system requires a strong state-local partnership; we think local needs are great and that their fiscal resources limited; and we think a 35% local sharing of increased fuel taxes is the minimum advisable. We prefer continuation of the existing 40.5% distribution, or its sales tax equivalent.

Bonding

Our convention-adopted policy statement provides: "We support the reasonable use of state indebtedness to finance new state highway improvement projects, in the same manner that local units utilize debt financing for major capital improvements. The use of debt to finance highway projects, limited in term to their useful life, would permit pay-as-you-use highway improvements, stimulate the Kansas economy, and create opportunities for future economic growth."

Bonding for capital improvements is a way of life for cities, as it is, at least one time, for most homeowners, farmers and businesses. There is no way we could have cities, with water and sewer and street facilities, to serve over 78% of the people of Kansas, without bonding. I would estimate the general obligation and utility revenue bonds of cities alone, excluding housing and industrial revenue bonds, is currently about \$1.5 billion.

The League does not support highway bonds for maintenance and operating costs. But we do believe it is logical, appropriate, and in the public interest, to utilize bonds for needed capital improvements -- to use debt for improvements to permit a "use and pay" system, rather than a "pay now and use later" system.

STATE-LOCAL HIGHWAYS

The following are excerpts of provisions taken from the 1988-1989 Statement of Municipal Policy of the League of Kansas Municipalities.

A-1. State-Local Highways—Finance. (1) We urge legislative enactment of a comprehensive state-local highway program for the future of Kansas. The primary objectives of such a program should be to (a) secure the maintenance and preservation of our existing state and local highway system, (b) obtain improvements to our state and local highway system for the safety and convenience of the public, and (c) promote the economic development of the state and its communities.

(2) To secure these objectives, we support both an increase in motor vehicle registration fees and an increase in motor fuel taxes. Further, the transfer of revenue from the state general fund to the state highway fund should be equal to total state sales tax collections on the sale of motor vehicles. Other methods of financing our state and local highway needs should also be explored.

(3) We support the reasonable use of state indebtedness to finance new state highway improvement projects, in the same manner that local units utilize debt financing for major capital improvements. The use of debt to finance highway projects, limited in term to their useful life, would permit pay-as-you-use highway improvements, stimulate the Kansas economy, and create opportunities for future economic growth.

(4) We support significant local sharing of motor fuel tax increases, in recognition of growing local highway needs and state retention of 100 percent of all vehicle registration fee and sales tax transfers. We believe at least one-third of any new fuel tax collections should be distributed to cities and counties through the Special City and County Highway Fund. Both the mileage and vehicle miles of travel on city streets and connecting links is comparable to that of the entire state system, and the mileage of local rural roads is over 100 times greater than the state system. Growing pressures on the property tax base, actually declining in many areas, require more highway user revenues be made available to local units to help secure adequate maintenance and needed improvements to local roads and streets.

(5) We also recommend consideration be given to establishing a special fund, available to local units and for KDOT use, to finance economic development highway improvement projects which will generate short-term as well as long-term economic growth. These moneys should be available for spur and access routes providing connections to the state system and should focus primarily on those projects which will create economic growth and employment opportunities in the immediate future.



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Executive Director

John T. Torbert

Testimony

Date - February 2, 1989

For - House Transportation Committee

By - John T. Torbert, Executive Director
Kansas Association of Counties

Subject - Highway Program

A comprehensive highway program is a top priority of the Kansas Association of Counties. Our position statement, adopted at our annual conference in November is as follows;

Highway Program - The Kansas Association of Counties supports a major highway initiative. This initiative should be funded by fuel tax and motor vehicle registration fee increases. Distribution of these new dollars should be based on the current formula. The Kansas Department of Transportation should determine where and how the state share of the money will be used according to certain pre-established criteria. KAC can be supportive of bonding if bonding will guarantee enough revenue for a viable highway program assisting all units of government. We do not favor indexing of the tax on fuel.

The problems that we are experiencing at the local level with our road and bridge system are at least as bad as those experienced within the state system. In excess of 80% of the total public road miles in this state are county or township roads (110,000 miles out of a total of 132,642 miles). More than 12,000 miles of that 110,000 are paved - more than state system paved miles. Many of these miles have been "given" to us by the state to maintain.

Of the 25,700 bridges in the state, 19,766 or 77% are on the county system. More than 11,000 of these bridges are substandard and need to either be fully replaced or substantially rehabilitated. As a matter of fact, the state of Kansas ranks third in the country in the number of deficient bridges. Federal aid is allowing us to replace about 80 bridges a year but its easy to see that we're not anywhere close to keeping up with the problem.

Att. 2

With respect to system "needs" the county engineers association recently began compiling such information. For those counties that responded to the survey, the three year needs for roads, bridges and equipment were in excess of \$81 million. That annualizes to about \$27 million. Contrast that against funding sources of \$10 million annually. Our funding sources could be doubled and we'd still fall far short of meeting our needs.

The main point of all this discourse is to point out that every single part of our highway and bridge system is in trouble - be it state, city, county or township. It is vitally important that a highway program recognizes the system wide nature of the problem and responds to it with adequate funding for all levels.

STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

Supporting House Bill 2014 and a
comprehensive highway program for
Kansas.

Presented to the House Transportation
Committee, Rep. Rex Crowell, Chairman;
Statehouse, Topeka, Wednesday, February
8, 1989.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Mary E. Turkington, Executive Director of the Kansas Motor Carriers Association with offices in Topeka. I appear here today along with Tom Whitaker, our Governmental Relations Director; on behalf of the 1,550 member-firms of our Association representing the highway transportation industry.

We are here to express our strong support for the work of the Interim Transportation Committee in behalf of a comprehensive highway program for Kansas and to support the provisions of House Bill 2014.

We express such support fully aware of the substantial tax increases which must be accommodated by our industry. We strongly suggest that the time to address the highway needs of our state and local streets and highways is now before us to safeguard the investment Kansans everywhere have made in our highway system.

Attach. 3

We would call the committee's attention particularly to the chart we have included in your folder on the proposed registration fees. Please note that the fee increases for our industry's 80,000-lb. vehicles would be \$400 per unit or a \$1,725 tag for the 80,000-lb. units compared to the present \$1,325 annual registration fee for these vehicles. The increase projected for the 85,500-lb units would be a \$450 per unit jump to a total registration fee of \$1,925 compared to the present registration of \$1,475. These indeed are substantial tax increases!

We also have enclosed a chart comparing the proposed Kansas tax increases with corresponding taxes assessed by our surrounding states to give us an idea of how Kansas fees would compare with our neighbors.

I assure you that there are countless Kansas carriers, especially our farm-to-market members who numerically are the largest segment of our membership, who honestly ask -- "where are we going to get the money to pay these tax increases?" The farm economy of our state has not fared that well -- and farmers, ranchers and agri-businesses are the customers of our farm-to-market carriers. There will be little or no opportunity for these carriers to pass these tax increases on and the carriers are about at the end of their rope in absorbing cost increases.

The major justification for supporting such tax increases in the face of such overwhelming odds is that this proposal offers Kansans a program -- with funding adequate to allow proper planning and utilization of tax dollars -- and accountability in terms of being able to measure work done in restoring and preserving the system of streets and highways so essential to the future of this state.

In the final mix of funding components for a highway program, the highway transportation industry recognizes that traditional user fees must bear the major burden of such tax levies. We are willing to pay the phased-in fuel tax increases that eventually will total 7¢ per gallon. We will "bite the bullet" of the proposed registration fee increases.

We strongly support the "sales tax transfer" to the highway fund of user fees collected as sales tax on new and used vehicles. We further would urge the committee to consider expanding that category to include sales tax dollars collected on the sale of parts and accessories.

We believe that bonding will be a necessary funding component when legislation is enacted.

We strongly believe also that appropriate funds must be allocated to local units of government to meet their street and highway needs.

We are fully aware of the demands on the State's General Fund for traditional funding responsibilities for education, social services and the myriad number of state services dependent on this fund.

We do not hesitate however, to suggest that an appropriate amount of revenue from this tax base well might be added to the highway funding formula not at the expense of these other vital state services but in addition to the tax dollars now levied through sales tax collections.

This is a funding component which we hope can be fully explored.

We believe the need for a comprehensive highway program clearly has been demonstrated. We pledge our support for a workable program.

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KANSAS HIGHWAY USER TAXES

TRUCK AND BUS PERCENT OF TOTAL
REGISTRATION FEES AND FUEL TAXES

<u>Year</u>	<u>Registration Fees</u>	<u>Fuel Taxes</u>	<u>Total</u> ⁽¹⁾
1970	55.0%	38.5%	43.3%
1971	45.4 ⁽²⁾	39.2	40.6 ⁽²⁾
1972	57.6	39.4	45.3
1973	57.6	40.6	45.9
1974	57.9	41.7	46.5
1975	61.4	42.4	48.5
1976	61.7	43.2	48.8
1977	61.1	45.4	50.5
1978	61.8	43.2	49.7
1979	63.0	45.5	51.6
1980	64.3	46.7	53.5
1981	66.6	49.9	56.7
1982	64.0	52.4	56.0
1983	62.1	50.7	54.0
1985	67.4	49.8	55.2
1986	66.9	49.7	54.9
1987	67.1	50.0	54.7

TRUCKS AND BUSES PAY THEIR SHARE OF KANSAS HIGHWAY USER TAXES.
THAT SHARE NOW STANDS AT OVER 54 PERCENT

- (1) Total includes miscellaneous fees and motor carrier taxes.
- (2) 1971 was the first year automobiles were registered on the present staggared monthly system. This resulted in additional registration fees collected from automobiles in 1971 which made the truck and bus percentage of total registration fees disproportionately low.

KANSAS LICENSE TAG FEES PAID BY TRUCKS AND BUSES IN 1987

(Compiled from year end reports of the Division of Vehicles)

REGULAR

<u>Tag Fee Bracket</u>	<u>Weight Brackets</u>	<u>Number of Registrations</u>	<u>Estimated Tag Fees Paid</u>
\$ 25.00	0 - 12,000 lbs.	546,674	\$ 13,666,850
75.00	12,001 - 16,000	7,340	550,500
100.00	16,001 - 20,000	4,209	420,900
150.00	20,001 - 24,000	5,784	867,600
235.00	24,001 - 30,000	3,818	897,230
285.00	30,001 - 36,000	1,460	416,100
360.00	36,001 - 42,000	1,015	365,400
460.00	42,001 - 48,000	1,253	576,380
615.00	48,001 - 54,000	1,367	840,705
765.00	54,001 - 60,000	413	315,945
915.00	60,001 - 66,000	237	216,855
1,175.00	66,001 - 74,000	214	251,450
1,325.00	74,001 - 80,000	1,011	1,339,575
1,475.00	80,001 - 85,500	947	1,396,825
		575,742	\$ 22,122,315
TOTAL			

PRORATED VEHICLES

Kansas and Foreign	27,570	\$ 17,414,259
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LOCAL AND 6,000 MILE

		<u>Local</u>	<u>6,000</u>	
47.00	12,001 - 16,000 lbs.	1,665	294	92,073
75.00	16,001 - 20,000	1,049	234	96,225
100.00	20,001 - 24,000	1,633	413	204,600
135.00	24,001 - 30,000	1,281	270	209,385
160.00	30,001 - 36,000	483	162	103,200
185.00	36,001 - 42,000	385	172	103,045
235.00	42,001 - 48,000	1,029	199	288,580
315.00	48,001 - 54,000	1,650	226	590,940
360.00	54,001 - 60,000	267	139	146,160
440.00	60,001 - 66,000	190	88	122,320
575.00	66,001 - 74,000	83	96	102,925
675.00	74,001 - 80,000	229	134	245,025
775.00	80,001 - 85,500	114	100	165,850
		10,058	2,527	\$ 2,470,328
TOTAL				

FARM

<u>Tag Fee Bracket</u>	<u>Weight Brackets</u>	<u>Number of Registrations</u>	<u>Estimated Tag Fees Paid</u>
\$ 25.00	12,001 - 16,000 lbs.	27,424	\$ 685,600
30.00	16,001 - 20,000	17,263	517,890
42.00	20,001 - 24,000	21,215	891,030
62.00	24,001 - 54,000	15,147	939,114
150.00	54,001 - 60,000	169	25,350
300.00	60,001 - 66,000	121	36,300
500.00	Over 66,000	622	311,000
		<hr/>	<hr/>
TOTAL		81,961	\$ 3,406,284

TRAILERS

Trailers	90,219	\$ 2,255,475
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PERMITS

72 - Hour	35,901	\$ 721,615
30 - Day	4,404	217,628
	<hr/>	<hr/>
Total	40,305	\$ 939,243

URBAN BUS

\$ 15.00	8 - 30 Passengers	43	\$ 645
30.00	31 - 39 Passengers	7	210
60.00	Over 39 Passengers	17	1,020
		<hr/>	<hr/>
TOTAL		67	\$ 1,875

GRAND TOTAL \$ 48,609,779

KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES,
AND TRUCK AND BUS REGISTRATIONS

(Comparison of Calendar Years)

<u>Calendar Year</u>	<u>Total Truck & Bus Highway User Taxes <u>1/</u></u>	<u>% Increase Over 1955</u>	<u>Truck & Bus Registrations <u>2/</u></u>	<u>% Increase Over 1955</u>
1955	\$ 20,471,354	---	251,188	---
1956	\$ 22,266,393	+ 8.77%	254,858	+ 1.46%
1957	\$ 23,045,428	+ 12.57%	258,474	+ 2.90%
1958	\$ 23,902,302	+ 16.76%	258,363	+ 2.86%
1959	\$ 25,172,210	+ 22.96%	268,045	+ 6.71%
1960	\$ 26,675,819	+ 30.31%	275,371	+ 9.63%
1961	\$ 27,515,828	+ 34.41%	286,627	+ 14.11%
1962	\$ 28,728,453	+ 40.33%	298,981	+ 19.03%
1963	\$ 30,377,424	+ 48.39%	309,607	+ 23.26%
1964	\$ 31,207,337	+ 52.44%	320,702	+ 27.67%
1965	\$ 32,973,536	+ 61.07%	335,393	+ 33.52%
1966	\$ 34,934,972	+ 70.65%	348,912	+ 38.90%
1967	\$ 36,682,188	+ 79.19%	363,059	+ 44.54%
1968	\$ 39,135,778	+ 91.17%	380,854	+ 51.62%
1969	\$ 45,621,435	+122.85%	400,581	+ 59.47%
1970	\$ 52,170,362	+154.85%	415,884	+ 65.57%
1971	\$ 55,053,033	+168.93%	438,648	+ 74.63%
1972	\$ 59,780,096	+192.02%	467,327	+ 86.05%
1973	\$ 67,892,557	+231.65%	505,385	+101.20%
1974	\$ 66,929,498	+226.94%	526,312	+109.53%
1975	\$ 71,152,271	+247.57%	539,476	+114.77%
1976	\$ 79,338,733	+287.56%	566,187	+125.40%
1977	\$ 95,567,194	+366.83%	577,303	+129.83%
1978	\$ 97,110,088	+374.37%	599,263	+138.57%

(continued on next page)

KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES,
AND TRUCK AND BUS REGISTRATIONS
(Comparison of Calendar Years)

<u>Calendar Year</u>	<u>Total Truck & Bus Highway User Taxes <u>1/</u></u>	<u>% Increase Over 1955</u>	<u>Truck & Bus Registrations <u>2/</u></u>	<u>% Increase Over 1955</u>
1979	\$104,935,590	+412.60%	633,464	+152.19%
1980	\$102,423,946	+400.33%	630,070	+150.84%
1981	\$112,341,086	+448.77%	N.A.	-- --
1982	\$110,132,000	+437.98%	649,034	+158.39%
1983	\$111,348,000	+443.92%	621,443	+147.40%
1985	\$127,505,923	+522.85%	657,892	+161.91%
1986	\$130,699,935	+538.45%	663,790	+164.26%
1987	\$137,707,200	+572.68%	670,355	+166.87%

NOTE: 1/ Total does not include ad valorem taxes paid either to the counties or to the state by motor carriers.

2/ Truck and bus registrations include county reports, quarterly payments, urban buses and Kansas prorates.

N.A. -- Not Available. Kansas was in the process of registering light trucks on a staggered basis instead of annually. Consequently many light trucks were registered twice in 1981 and an accurate truck count was not available.

SUMMARY OF KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES
(Comparison of Calendar Years)

Calendar Year	Truck & Bus License Tag Fees	KCC Regulatory Fees	Miscellaneous Fees	Gasoline & LP Gas	Motor Fuel Taxes		Gross Total 1/	Net Gain Over 1955
					Diesel	Total		
1955	\$ 4,986,324	\$ ---	\$ 711,000	\$ 10,689,603	\$ 564,759	\$ 11,254,362	\$ 20,471,354*	---
1956	\$ 8,711,831	\$ 817,720	\$ 547,000	\$ 11,298,679	\$ 891,163	\$ 12,189,842	\$ 22,266,393	\$ 1,795,039
1957	\$ 8,667,655	\$ 796,028	\$ 535,114	\$ 12,039,784	\$ 1,006,847	\$ 13,046,631	\$ 23,045,428	\$ 2,574,074
1958	\$ 9,130,587	\$ 816,076	\$ 581,402	\$ 12,091,216	\$ 1,283,021	\$ 13,374,237	\$ 23,902,302	\$ 3,430,948
1959	\$ 9,662,248	\$ 904,179	\$ 693,667	\$ 12,270,780	\$ 1,641,336	\$ 13,912,116	\$ 25,172,210	\$ 4,700,856
1960	\$ 10,491,693	\$ 911,978	\$ 696,205	\$ 12,615,892	\$ 1,960,051	\$ 14,575,943	\$ 26,675,819	\$ 6,204,465
1961	\$ 11,009,466	\$ 885,505	\$ 863,709	\$ 12,411,182	\$ 2,345,966	\$ 14,757,148	\$ 27,515,828	\$ 7,044,474
1962	\$ 11,677,826	\$ 833,334	\$ 911,678	\$ 12,593,942	\$ 2,711,673	\$ 15,305,615	\$ 28,728,453	\$ 8,257,099
1963	\$ 12,354,746	\$ 946,505	\$ 990,327	\$ 12,837,824	\$ 3,248,022	\$ 16,085,846	\$ 30,377,424	\$ 9,906,070
1964	\$ 12,750,563	\$ 981,423	\$ 1,053,268	\$ 12,962,131	\$ 3,459,952	\$ 16,422,083	\$ 31,207,337	\$ 10,735,983
1965	\$ 13,182,173	\$ 982,592	\$ 1,082,021	\$ 14,242,568	\$ 3,484,182	\$ 17,726,750	\$ 32,973,536	\$ 12,502,182
1966	\$ 13,977,484	\$ 1,066,176	\$ 1,129,245	\$ 14,471,194	\$ 4,290,873	\$ 18,762,067	\$ 34,934,972	\$ 14,463,618
1967	\$ 14,562,689	\$ 1,086,361	\$ 1,132,511	\$ 15,301,781	\$ 4,598,846	\$ 19,900,627	\$ 36,682,188	\$ 16,210,834
1968	\$ 15,376,808	\$ 1,174,636	\$ 1,226,002	\$ 15,984,066	\$ 5,374,266	\$ 21,358,332	\$ 39,135,778	\$ 18,664,424
1969	\$ 16,096,603	\$ 1,277,878	\$ 1,309,694	\$ 19,728,746	\$ 7,208,514	\$ 26,937,260	\$ 45,621,435	\$ 25,150,081
1970	\$ 17,071,662	\$ 1,253,895	\$ 1,694,765	\$ 23,803,277	\$ 8,346,763	\$ 32,150,040	\$ 52,170,362	\$ 31,699,008
1971	\$ 17,867,840	\$ 1,221,916	\$ 1,859,803	\$ 24,634,730	\$ 9,468,744	\$ 34,103,474	\$ 55,053,033	\$ 34,581,679
1972	\$ 21,029,697	\$ 1,950,208	\$ 1,762,761	\$ 24,154,449	\$ 10,882,981	\$ 35,037,430	\$ 59,780,096	\$ 39,308,742
1973	\$ 22,027,247	\$ 2,104,365	\$ 1,846,036	\$ 28,588,815	\$ 13,326,094	\$ 41,914,909	\$ 67,892,557	\$ 47,421,203
1974	\$ 22,241,146	\$ 1,772,741	\$ 2,358,706	\$ 27,120,456	\$ 13,435,448	\$ 40,555,904	\$ 66,928,497	\$ 46,457,143
1975	\$ 25,862,852	\$ 2,126,000	\$ 2,436,234	\$ 28,099,765	\$ 12,627,420	\$ 40,727,185	\$ 71,152,271	\$ 50,680,917
1976	\$ 27,174,735	\$ 2,365,218	\$ 2,594,630	\$ 32,183,079	\$ 15,021,071	\$ 47,204,150	\$ 79,338,733	\$ 58,867,379
1977	\$ 35,097,954	\$ 2,437,235	\$ 2,524,005	\$ 40,304,000	\$ 15,204,000	\$ 55,508,000	\$ 95,567,194	\$ 75,095,840
1978	\$ 37,465,617	\$ 3,036,607	\$ 2,670,864	\$ 38,266,000	\$ 15,671,000	\$ 53,937,000	\$ 97,110,088	\$ 76,638,734
1979	\$ 39,722,968	\$ 3,200,932	\$ 2,898,690	\$ 36,028,000	\$ 23,085,000	\$ 59,113,000	\$104,935,590	\$ 84,464

* In, 1955, gross total included \$3,519,668 in ton-mile taxes not shown separately.

(continued on next page)

3-10

SUMMARY OF KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES
(Comparison of Calendar Years)

Calendar Year	Truck & Bus License Tag Fees	KCC Regulatory Fees	Miscellaneous Fees	Gasoline & LP Gas	Motor Fuel Taxes		Gross Total 1/	Net Gain Over 1955
					Diesel	Total		
1980	\$ 42,498,608	\$ 3,165,505	\$ 2,854,833	\$ 36,441,000	\$ 17,464,000	\$ 53,905,000	\$102,423,946	\$ 81,952,592
1981	\$ 47,408,827	\$ 3,590,276	\$ 3,773,983	\$ 34,844,000	\$ 22,724,000	\$ 57,568,000	\$112,341,086	\$ 91,869,732
1982	\$ 41,121,000	\$ 4,008,000	\$ 3,386,000	\$ 39,166,000	\$ 22,451,000	\$ 61,617,000	\$110,132,000	\$ 89,660,646
1983	\$ 40,429,000	\$ 3,430,000	\$ 3,512,000	\$ 43,713,000	\$ 20,264,000	\$ 63,977,000	\$111,348,000	\$ 90,876,646
1985	\$ 47,445,823	\$ 4,681,000	\$ 3,838,111	\$ 45,525,932	\$ 26,015,057	\$ 71,540,989	\$127,505,923	\$107,034,569
1986	\$ 48,098,379	\$ 4,561,633	\$ 3,872,500	\$ 48,312,718	\$ 25,854,704	\$ 74,167,422	\$130,699,934	\$110,159,802
1987	\$ 48,609,779	\$ 4,661,827	\$ 4,469,124	\$ 51,721,037	\$ 28,245,433	\$ 79,966,470	\$137,707,200	\$117,235,846

NOTE: 1/ Gross total does not include ad valorem taxes paid either to the counties or to the state by motor carriers.

Distributed by:

Kansas Motor Carriers Association
2900 South Topeka Blvd., P.O. Box 1673
Topeka, Kansas 66601

11-11

COMPARISON OF
MOTOR VEHICLE REGISTRATION FEES
AND
MOTOR FUEL TAXES
OF
SURROUNDING STATES

(AS OF JANUARY 1, 1990)

	<u>Registration Fee</u> 80,000 lb. Vehicle	<u>Motor Fuel</u> <u>Tax Rate</u>	<u>Special Fuel</u> <u>Tax Rate</u>
Kansas	\$1,725.00	\$.15*	\$.17**
Arkansas	1,044.00	.135	.125
Missouri	1,719.50	.11	.11
Iowa	1,695.00	.20	.225
Nebraska	1,280.00	.182	.182
Colorado ¹		.18	.205
Oklahoma	948.00	.16	.13
North Dakota	734.00	.17	.17
South Dakota	1,475.00	.18	.18
Texas	840.00	.15	.15

* The Kansas motor fuel tax would increase to \$.17 per gallon in 1991 and to \$.18 per gallon in 1993.

** The Kansas special fuel tax would increase to \$.19 per gallon in 1991 and to \$.20 per gallon in 1993.

1 Colorado registrations fees are based on the vehicles unladen weight.

Kansas Motor Carriers Association
February 1989

REGISTRATION FEE REVISIONS RECOMMENDED
BY THE
INTERIM COMMITTEE ON TRANSPORTATION
November 22, 1988

PROPOSED REVISIONS IN TRUCK REGISTRATION FEES:

<u>GROSS WEIGHTS</u>	<u>REGULAR</u>		<u>LOCAL & 6,000 MILE</u>		<u>FARM</u>	
	<u>CURRENT</u>	<u>PROPOSED</u>	<u>CURRENT</u>	<u>PROPOSED</u>	<u>CURRENT</u>	<u>PROPOSED</u>
Less than 12,000 lbs.	25.00	35.00	----			
12,001 - 16,000 lbs.	75.00	100.00	47.00	60.00	25.00	35.00
16,001 - 20,000 lbs.	100.00	130.00	75.00	100.00	30.00	40.00
20,001 - 24,000 lbs.	150.00	195.00	100.00	130.00	42.00	50.00
24,001 - 30,000 lbs.	235.00	310.00	135.00	175.00	62.00	70.00
30,001 - 36,000 lbs.	285.00	370.00	160.00	210.00	--	--
36,001 - 42,000 lbs.	360.00	470.00	185.00	240.00	--	--
42,001 - 48,000 lbs.	460.00	600.00	235.00	310.00	--	--
48,001 - 54,000 lbs.	615.00	800.00	315.00	410.00	--	--
54,001 - 60,000 lbs.	765.00	1,000.00	360.00	470.00	150.00	180.00
60,001 - 66,000 lbs.	915.00	1,200.00	440.00	570.00	300.00	360.00
66,001 - 74,000 lbs.	1,175.00	1,525.00	575.00	750.00	500.00	600.00
74,001 - 80,000 lbs.	1,325.00	1,725.00	675.00	880.00	--	--
80,001 - 85,500 lbs.	1,475.00	1,925.00	775.00	1,000.00	--	--

PROPOSED AUTOMOBILE REGISTRATION FEES:

<u>WEIGHT CATEGORY</u>	<u>CURRENT</u>	<u>PROPOSED</u>
0 - 3000 lbs.	13.00	25.00
3,001 - 3,999 lbs.	16.25	25.00
4,000 - 4,500 lbs.	19.50	25.00
over 4,500 lbs.	26.00	35.00

PROPOSED TRAILER REGISTRATION FEES:

<u>WEIGHT CATEGORY</u>	<u>CURRENT</u>	<u>PROPOSED</u>
8,000 lbs. or less	10.00	13.00
8,001 - 12,000 lbs.	15.00	20.00
Over 12,000 lbs.	25.00	35.00

Information provided by:

Kansas Motor Carriers Association
2900 South Topeka Blvd.
P.O. Box 1673
Topeka, Kansas 66601
11/88

2-13

DESCRIPTION OF COORDINATION PROJECT

ACT PROGRAM

In 1984, the City of Wichita submitted a \$30,000 grant request to the Kansas Corporation Commission (KCC) to initiate a regional transportation brokerage program, supported by Department of Energy and oil overcharge funds from the initial Exxon settlement. The transportation brokerage was to be housed at the Wichita Metropolitan Transit Authority (WMTA) and was to provide three main services: (1) computerized rideshare matching and referral; (2) paratransit service development and coordination; and (3) WMTA support services.

The brokerage (staffed by a professional transportation planner and a clerical assistant) began operations under the name of the Areawide Cooperative Transportation (ACT) program. The ACT program currently operates as a matrix division of the WMTA. ACT staff are involved in the operations planning of regular bus service and has oversight responsibilities of the WMTA's privately contracted special service for the disabled. As well, ACT's marketing program is piggybacked with the WMTA's program, which extends the marketing dollars of both programs and facilitates the promotion of multi-modal transportation services to private industry and the general public including traditional transit services, specialized accessible van services for the elderly and disabled, and computerized rideshare matching and referral.

PARATRANSIT SERVICE DEVELOPMENT AND COORDINATION

In late 1984, ACT staff set up a meeting of a few of the larger human service agencies that provided transportation services to discuss special service needs of the elderly and the disabled and service coordination opportunities. Prior attempts to facilitate coordination inevitably turned into either public versus private sector debates on who was responsible for meeting special service needs or human service agency debates between each other on the individual needs of each agency. The results of the meeting were once again the same but concluded with "let's meet again in a month to discuss the 16(b)2 vehicle grant program." At that time, the Kansas Department of Transportation (KDOT) was receiving twice as many requests for vehicles as they could fund.

Staff immediately contacted KDOT and suggested that the group of private paratransit providers collectively review the applications for duplication, rate the applications, and attach a local statement by the group in support of each

Att. 4

application. In the past, applications were accompanied by up to 30 individual support letters that in some cases were predesigned form letters sent out by the applicants for support signatures. The new process would eliminate the need for mass mailouts of support letters, shorten the grant submission/review/approval cycle, eliminate duplication through a peer review process, and promote dialogue between agencies through a common theme of addressing vehicle replacement needs.

At the same time, ACT staff received approval of a \$10,000 seed grant for special service subsidy to help meet unmet service demand of the disabled (a survey undertaken by ACT staff and the Independent Living Center of Southcentral Kansas revealed a demonstrated unmet trip demand of 25,000 trips per year). It was also decided that the funds should support a coordinated service program for the disabled utilizing private agency vehicles during their idle times. Both items would be presented at the following meeting of the paratransit group.

The next meeting was a great success. The ten human service agency officials in attendance were suprised to find that the 16(b)2 grant process was overhauled and that monies were available for expanded service provision. Agencies would receive immediate benefits from working together to address unmet needs. Turfism issues disappeared and were replaced by constructive dialogue on how to make both programs successful. Staff knew immediately that this approach was the right one and would embark on an expanded coordination program that would be structured in the same way.

WICHITA-SEDGWICK COUNTY PARATRANSIT COUNCIL, INC.

Following meetings would result in the development of bylaws, election of officers, development of goals and objectives, and the eventual not-for-profit incorporation of the Wichita-Sedgwick County Paratransit Council (WSCPC) in 1985. During the next three years, WSCPC, Inc. grew to an voluntary organization of 40 public and private agencies who either plan, fund, or deliver specialized transportation services for the elderly and the diabled.

In 1987, the WSCPC hired a part time paratransit coordinator using county mill levy funds passed through the Sedgwick County Department on Aging to address the transportation needs of the elderly and to provide support for human service agency transportation coordination. This was the first local funding commitment made to support coordination, paving the way for other funding programs to follow.

Through the joint efforts of the ACT Program and WSCPC, Inc., number of activities were initiated. Most activities during

1987 centered on developing an inventory of existing transportation resources, developing an information distribution network, membership recruitment, and of course, a great deal of one-on-one sessions with transportation program directors and human service agency administrators. Initial work began on the development of a long range plan for voluntary human service agency transportation coordination.

The long range plan called for the development of coordination efforts in each of the traditional areas of administration, operations, and maintenance. Administrative coordination efforts would center on developing training programs, handling special service information dissemination and referral, developing service expansion programs, and planning and advocacy. Maintenance coordination efforts would center on development of a maintenance cooperative to reduce labor costs, bulk purchasing, development of a group risk self-insurance pool, and preventative maintenance. Operations coordination would focus on eliminating onstreet service duplication, and the development of a centralized dispatch/scheduling operations clearinghouse.

At the same time, the WMTA received the notification of the Urban Mass Transit Administration's final ruling on Section 504 of the Rehabilitation Act of 1973 requiring equal accessibility of the disabled on public transportation services supported by UMTA funds. Through the mutual efforts of the ACT Program, the WSCPC, and the Wichita Metropolitan Area Planning Department, a 504 Plan was developed that would not only address equal accessibility requirements, but also included recommendations to facilitate the continuing expansion of WSCPC's role in specialized transportation provision and increased levels of voluntary coordination. The 504 Plan was formally adopted and unilaterally supported by both the public and private sectors.

SPECIALIZED SERVICE PROVISION

Cooperative Transportation Program

By 1987, WSCPC, Inc. had grown from 15 to almost 30 human service agency members in a little over a year. A total of 4,326 one way trips were provided through the Cooperative Transportation Program (CTP) on WSCPC member agency idle vehicles at a cost of \$8,183 (a subsidy rate of \$1.89 per trip), excluding the \$.15 fare, in 1986. That figure increased to 6,986 trips in 1987 at a cost of \$13,972 (a \$2.00 subsidy per trip). Passengers on the CTP program must qualify for the WMTA's specialized service but are unable to use the service because of seating limitations.

In 1988, the CTP program provided 7,118 trips at the same

subsidy rate of \$2.00 per passenger trip. This subsidy rate was less than one-third the subsidy (\$7.21 per passenger trip) for the WMTA's privately contracted service supported by UMTA and City of Wichita funding.

User Side Subsidy Program

The adopted 504 Plan called for the eventual shifting of the publicly provided specialized service to a user side subsidy taxicab service due to the increasing cost of the contracted service and limited funding. Member agencies of the WSCPC and local government officials met to address how services could be shifted without creating chaos among users. The result was the recommendation of implementing a pilot program in 1988, incrementally shifting portions of the contracted service during 1989, and full implementation by 1990.

A pilot user side taxicab program for the frail elderly was implemented in January, 1988. The Sedgwick County Department on Aging granted the WSCPC \$12,000 to help defray the cost of taxicab service for frail elderly individuals who were in need of short notice medical and social service trips. WSCPC, Inc., ACT Program, and Department on Aging staff met with local taxicab owners (both taxicab companies are member agencies of the WSCPC) to negotiate a \$4.00 flat rate fee per trip provided on taxis through SCRAM (Senior Citizens Rides At a Moment). SCRAM clients are required to pay a \$1.00 fare while the other \$3.00 is subsidized through county mill levy funds.

A total of 1,546 trips were provided through the SCRAM program during 1988. Patronage on the service started off slow as the elderly were qualified for the service and adjusted to the program but grew to over 200 trips per month by the end of the year. The Sedgwick County Department on Aging has committed to increasing it's funding of SCRAM to \$20,000 in 1989.

In addition, St. Joseph Regional Medical Center's Adult Day Care program approached the WSCPC with a problem related to outpatient transportation needs. Another user subsidy taxicab service was set up for them, also administered by the WSCPC. A total of 771 rides were provided through the program with support for 1,000 more rides in 1989. Two new user side subsidy services will be implemented by the spring of 1989 with funding to support up to 5,000 additional user subsidy trips.

EQUIPMENT/MAINTENANCE

A maintenance cooperative was developed during 1988 for member agencies of the WSCPC. One of the for-profit private

operators offered maintenance service, a preventative maintenance program, and some consumable parts (air filters, etc.) to WSCPC members at reduced rates. The WSCPC has over 150 vehicles operating through the individual agencies and collectively provide over 500,000 special service trips per year. Kansas Truck Equipment Co. and Collins Manufacturing (also WSCPC members) have offered wheelchair lifts and other specialized transportation accessories and equipment repairs at reduced costs, as well as assist in developing vehicle specifications and modifications.

Of major impact is the recent application and approval of an UMTA Section 9 capital grant for the purchase of 19 wheelchair lift equipped vans which will eventually be leased (at the rate of \$1.00 per year with a required level of public service trip provision) to WSCPC agencies to support both public and private sector special service delivery. The vans will be purchased with federal funds supporting 95 percent of the vehicle cost and the 5 percent local share paid for by the WSCPC members who will eventually lease them. The van lease program should be fully operational by July, 1989.

In conjunction with the van lease program, another UMTA grant was approved for the purchase of computer hardware and a paratransit scheduler software package to support the development of a centralized dispatch/scheduling/trip request clearinghouse of paratransit services. The WSCPC and the ACT Program will be housed at Wichita's City Hall with space made available by the Metropolitan Area Planning Department. Operations should begin along with the start of the van lease program this summer.

OTHER COORDINATION ACTIVITIES

WSCPC and ACT Program staff have been working towards the development of a self insurance group risk pool. That effort has spilled over to encompass the entire state of Kansas. The State Insurance Commissioner, the Kansas Public Transit Association, Kansas University Transportation Center, and WSCPC/ACT representatives have identified over 500 vehicles of over 140 agencies that would be included in group self coverage. The Insurance Commissioner has targeted the fall of 1989 for start up of the program.

Training programs covering driver sensitivity, emergency evacuation, first aid, human service accounting, grant workshops, and other cooperative training ventures have been undertaken. Braille special service brochures have been developed by a WSCPC agency and provided at no charge to the WMTA while a program to train the learning disabled to ride regular mass transit services is currently being developed. In addition, a first time single directory of human service

agency transportation providers was published in late 1987 for public use and will be updated on an biannual basis.

Technical assistance to other areas of the state has been given by WSCPC members at the request of the state. Four other paratransit councils have recently been developed in anticipation of coordination mandates that will come with the advent of state operating assistance. Kansas is one of 10 states left that provides no state generated operating assistance for urban or rural public transportation programs.

Transportation advocacy efforts of the WSCPC resulted in the local approval of a budgetary increase for special service operations, as well as to expedite grant approvals and educate decision-makers on the special service needs of the elderly and mobility impaired. A bill has been introduced to the Kansas Legislature to authorize state funding assistance for paratransit operations.

SUMMATION

Today, the WSCPC is staffed by a full time paratransit professional and a clerk through split funding from the Sedgwick County Department on Aging and the WMTA. The WSCPC works hand in hand with local government to address any issue relating to transportation service development. Of the 340,000 citizens living in Wichita and Sedgwick County, an estimate 8 percent have severe mobility limitations due to physical or mental disabilities. Although most transit innovation has taken place in the more densely populated areas of the east and west coasts, Wichita, Kansas continues to be a hotbed of voluntary special service coordination and service innovation.

HOLTON AREA CHAMBER OF COMMERCE

104 West Fifth
Holton, Kansas 66436
913-364-3963

Bu 2

To: Kansas House of Representatives Transportation Committee

Mr. Chairman and members of the Transportation Committee

My name is James Birkbeck, and I am President of the Denison State Bank of Holton and Hoyt, past President and current Board Member of the Holton Area Chamber of Commerce, and Jackson County Chairman for Economic Lifelines.

The purpose of my testimony is to give you further insight into Highway 75 North of Topeka and support HB 2014. Highway 75 is a two lane roadway with nearly 6,000 vehicles per one day count.

Truck traffic will average one per mile. Many truck drivers become impatient on US 75. They pass on hill tops, cross the solid yellow line, and tailgate so close that it would be impossible for them to stop if the car ahead had to make an emergency stop.

There are many people in our area that work in Topeka. Goodyear employees, Santa Fe employees, nurses and many others too numerous to mention. During the "rush hours" there is nearly bumper to bumper traffic with no place to pass slower drivers. We recently had bank examiners from Kansas City. They commuted from Topeka and said traffic congestion was worse on 75 than in Kansas City.

US 75 has pretty good gravel shoulders. It's not uncommon for people to pass you on both sides. Obviously this practice is dangerous but can happen with impatient drivers lined up behind a slow vehicle.

We have had more than 30 fatalities in 10 years from Northwest 62nd Street to Holton. Highway improvements such as four lanes would lessen this kind of atrocious slaughter.

Economic development would also be helped in Holton and Jackson County with a four lane highway extended to Holton.

The 20 year forecast for US 75 North of Holton is 7,190 vehicles per day. This section currently has 680 trucks per day and 37% of its length is marked for "no passing."

In summation, safety is a real concern. People of Holton, Jackson County, and Northern Shawnee County are aware that in the five year period 1983 through 1987 there were 221 accidents, 15 fatalities and 123 injuries. Our bank was unsuccessful hiring a new bank officer because his wife would be driving on Highway 75 to Topeka.

On behalf of our bank, Holton Area Chamber of Commerce and Economic Lifelines, I certainly support HB 2014 and encourage your support as well. Thank you for your attention and time.



CITY OF OLATHE

MEMORANDUM

TO: Members of the House Transportation Committee

FROM: Ray Barmby, Mayor of Olathe

SUBJECT: House Bill 2014 - Highway Program

DATE: February 8, 1989

At the outset, we want you to know that Olathe supports a comprehensive highway improvement program. Comprehensive is a key component of the proposed program - to cover our highway needs completely and broadly. The program contained in HB 2014 is highly inclusive and broad as its components clearly indicate:

- 1900 miles of reconstruction and improvements including some bridge projects, many of which will be replaced or upgraded on an accelerated basis.
- We'll see straightening and widening of roads to and from rural communities bringing about more efficient and safe access to the state's major highways.
- Unquestionably an increased commitment to adequate maintenance of our present highways will enhance safety and reduce wear, tear, and repair bills on our motor vehicles.

- The program would enable the highway system to be improved to a higher level of safety: to increase the ability of people to receive emergency medical assistance whether for the unborn or the elderly; to reduce congestion and bottlenecks as workers enter intersections to and from work, or shoppers visit retail centers, or visitors buy our goods and services.
- Most assuredly, economic development would be assisted through enhancements to the system as the program addresses the broad needs of Kansas. It's the lack of access to good quality roads that can doom an area to economic decline, but as you well know there's no guarantee that highways can automatically bring about economic growth.
When jobs are created or saved for Kansans, increased state income and sales taxes are collected, local ad valorem taxes and franchise fees are made available to cities and counties, and indirect jobs are made more secure as commercial activity is strengthened.

We believe that state highways should be funded as much as possible by those who use them. Therefore, we support the use of fuel taxes and registration fees to service bonded indebtedness, fund operations, and aid transportation programs for the elderly and handicapped.

We are generally not supportive of increasing the state sales tax for a specific program such as highways. The sales tax, as a revenue source, has traditionally been reserved for the general fund to finance general government operations. If, however, a sales tax (or impact fee or excise tax) was applied to the sale of motor vehicles, parts and accessories rather than food, clothing, and medicine, such a tax would be more equitable. You could then assure taxpayers that sales taxes on food, clothing, and medicine will not be used to

subsidize our highway program.

The Committee is to be commended for clearly setting forth in House Bill 2014 that our Kansas Department of Transportation will manage and implement the program under the direction of the Secretary. A comprehensive, broad, and inclusive program needs flexibility and HB 2014 sets forth that feature very clearly. We urge your support for better highways for Kansas.



Swartley

TO: Members of the House Transportation Committee
FROM: Marylin Swartley, Olathe Economic Development Advisory Council
SUBJECT: House Bill 2014 - Highway Program
DATE: February 8, 1989

Good afternoon Mr. Chairman and members of the Committee. My name is Marylin Swartley and I am a member of the Olathe Economic Development Advisory Council, a joint City-Chamber of Commerce organization committed to enhancing economic development in Olathe. I am also a member of the Olathe City Council.

When new industries look at Kansas for relocation or existing industries consider expansion in Kansas, one of their number one questions is transportation. Of the variable costs associated with a business expansion, transportation costs have escalated the most in comparison to other factors and remain a primary relocation or expansion consideration. If we are to continue to attract new industry and encourage existing industry expansion, we must keep up with our transportation needs. We can only do that through a comprehensive highway package that addresses the state's needs financed by a broad based funding source. These may include such sources as fuel taxes, vehicle registration fees and sales tax transfers from the sale of motor vehicles and parts.

The economic impact of new highways, upgraded existing highways, and intersections cannot be denied. Today development plans are being formed on two major intersections in Olathe that will chart our City's future growth for the

next twenty years. 119th Street and 151st Street interchanges in Olathe are two of the three interchanges we have off of I-35. Industries such as Dillards Distribution Center employing 470 persons, Pepsi Bottling Company employing 220 employees, and existing industries like A.C. Delco, Marley Cooling Tower, Aldi Foods, W.A. Krueger Printing Company, and Mid-Central Sysco Food Distribution Company would not have located or expanded in their present locations unless intersection upgrades were planned at these two I-35 locations. Based on projections, some \$300-500 million in private investment is possible in the vicinity of the 151st Street interchange alone, but it will not happen without improved access.

Can we afford to discourage our new or existing basic industries? I think not. Our best incentive to industrial expansion is our excellent transportation infrastructure system. I strongly support your efforts to find equitable methods to fund one of our most precious resources and economic development marketing assets. If the private sector is successful, the rewards will be yours, as well as Olathe's.

Thank you for the opportunity to appear today.



Frank H. Devocelle
President/CEO

215 West 151st Street, Olathe
Kansas 66061 913-791-4300

DATE: February 8, 1989

TO: House Transportation Committee Members

FROM: *FHD* Frank H. Devocelle, President/Chief Executive Officer

RE: Highway Program

This letter is in support of the Highway Program (HB 2014). As president and chief executive officer of a suburban health care facility, I believe this program will significantly impact the welfare of Kansas residents.

While this bill may have a positive impact on commerce, I am most impressed with the accessibility to health care it will provide to both urban and rural areas of Kansas. In life-threatening situations the provision of immediate access to medical facilities via modern highway saves lives. Even in non-urgent situations daily travel to health care institutions (doctors offices, Day Surgery facilities and clinics) has significantly increased in recent years. This trend toward outpatient procedures underscores the need for suitable and timely transportation.

Moreover, as the highway system is improved to accommodate higher traffic volume, we are sure to see fewer traffic injuries resulting from narrow or highly congested roadways.

I strongly support House Bill 2014.

A++ 8

Pollock

Fort Scott Area Chamber of Commerce

A Modern City With Landmarks Dating Back To Pre-Civil War

**231 E. Wall St., Box 205
Fort Scott, Kansas 66701
(316) 223-3566**

FORT SCOTT AREA CHAMBER OF COMMERCE
POSITION STATEMENT ON KANSAS HIGHWAYS
PRESENTED BY

BILL POLLOCK, PRESIDENT OF FORT SCOTT AREA CHAMBER OF COMMERCE
PRESIDENT OF KEY INDUSTRIES INC.

The Fort Scott Area Chamber of Commerce recognizes the need for a comprehensive highway plan for Kansas. Safety and economic development are the most compelling needs to be served by significant highway improvements throughout Kansas. We support the Kansas Legislature in its search for new long-term funding through a combination of increased taxes and bonds. Long-term bonds are a very appropriate means of financing long-term highway investments. Kansas' highway improvement needs will probably not be met without the use of long-term bonds to finance those improvements.

Fort Scott highways serve more than our immediate area. Fort Scott's Mercy Hospital serves a population area of 72,000 people. Our Sectional Center Post Office serves a comparable area. U.S. 69 is used by many truckers as the shortest route from Texas to Kansas City and is the backbone of the area served by Pittsburg State University. PSU is the only state university not served by a four-lane through highway.

The improvement of U.S. 69 as a "Super Two" through route from Kansas City to Interstate 44 in Oklahoma should be the first fruit of a Kansas comprehensive highway plan. Hundreds of millions of dollars have already been spent to improve U.S. 69 over the past fifteen years. The job is half done, since most of 69 from Kansas City to Fort Scott has been upgraded. South of Fort Scott, however, U.S. 69 is antiquated, dangerous, and in poor condition. It would be a tragic waste of the taxpayers' money already invested in the 69 Super Two Corridor to leave it half-improved. Completion of the 69 Super Two Corridor is the most cost-effective way to improve Southeast Kansas' highways.

We endorse and support the Pittsburg NOW! position statement on highways. We particularly applaud the Pittsburg NOW! emphasis on improving U.S. 69.

U.S. Highway 54 from Fort Scott to Nevada, Missouri, is an important East-West link, carrying 2,500 vehicles per day, including 380 trucks per day. Missouri's eighteen (18) miles of that road will soon all have a 24 feet trafficway, with paved 10 ft. shoulders and all new bridges. We urge Kansas to improve its five (5) miles of that highway to that same standard.

Att. 9

R. 2

Statement Prepared For The
House Transportation Committee

RE: SB 2014 Highway Improvement

BY: Edward Roitz
President
Kansas Oil Marketers Association

February 8, 1989

Mr. Chairman and Members of the Committee:

My name is Ed Roitz, and I am pleased to be here to address the important issue of improving Kansas highways. I speak today as a representative of the Kansas Oil Marketers Association. Our association represents the interests of over three hundred Kansas petroleum marketers, who, as licensed fuel distributors, serve as the collectors of motor fuel taxes for the Kansas Department of Revenue. Because our livelihood is intrinsically tied to highways, we believe our industry has a vested interest in a safe, sound highway system. We have never believed otherwise.

I commend the Committees for the time and consideration that have gone into giving the people of Kansas a highway construction and maintenance bill that is broad enough in scope to accomplish the enormous task of modernizing Kansas highways, without placing an inequitable burden on any one segment of the Kansas citizenry.

The broad-based funding component of the measure makes it especially palatable to members of our industry, a consensus that is most likely reflected in other segments of the business community.

The Kansas Oil Marketers Association strongly supports a program of constructing, reconstructing, maintaining and improving Kansas highways by an increase in the retailers sales tax, an increase in the amount transferred from revenue collected from the sales of motor vehicles and parts, and an increase in vehicle registration fees.

Att. 10

We realize that motor fuel taxes paid by Kansas taxpayers are an integral part of the funding needed for highways. However, we feel it is essential to point out the adverse effects of a large disparity in the fuel tax rates of Kansas and her neighboring states, especially our populous neighbor to the east.

With 20% of the Kansas population living in the row of counties adjacent to Missouri, a significant portion of Kansas' economic lifeblood lies in a relatively small area of land. When Missouri increased its motor fuel tax in June of 1987 to a cents-per-gallon equivalency with Kansas, our businesses along the border experienced an economic upswing that continues today, not just in gasoline sales, but also in sales of hundreds of related items.

It is also important to point out that one year after Missouri tightened the gap that existed between Kansas diesel fuel taxes and Missouri diesel fuel taxes to a 2¢ differential, Kansas experienced an unprecedented increase of 11.7% in revenue collected from these taxes.

According to figures provided by the Kansas Department of Transportation, a one cent increase in the motor fuel tax produces over \$15 million in revenue annually. But prior to 1987, a one cent increase brought in \$14 million. It is more than coincidence that the increases in revenue for Kansas can be traced to the date Missouri - and also Oklahoma - increased motor fuel taxes. Since that time, Kansas has experienced an increase in consumption while bordering states have had to contend with declining motor fuel tax dollars. The bottom line of this: taxes do have a tremendous impact on the retailer.

The funding of a major highway construction program is one of the most difficult tasks to face state legislatures. Everyone wants good roads, expects good roads and benefits from good roads, but no one wants to pay a disproportionate share of the financing for them. If, as members of the Kansas Oil Marketers Association and many other Kansas citizens and groups believe, good highways promote a healthier economic climate for our state, then the burden should be spread out and assumed by the majority of the beneficiaries.

For this reason, above all others, our association supports the funding mix concept implicit in SB 2014. A good, affordable highway system that benefits all Kansans, one that would be paid for by all Kansans....should receive the unqualified support of all of us.

Thank you for allowing me to address this important issue.