

Approved 3-26-91  
Date

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

The meeting was called to order by Sen. Bill Morris at  
Chairperson

9:02 a.m./~~p.m.~~ on March 21, 1991 in room 254-E of the Capitol.

~~All members were present except~~ Members present:

Senators Morris, Doyen, Brady, Hayden, F. Kerr, Martin, Rock, Sallee  
Thiessen and Vidricksen.

Committee staff present:

Hank Avila, Legislative Research Department  
Bruce Kinzie, Revisor of Statutes  
Louise Cunningham, Committee Secretary

Conferees appearing before the committee:

Gary Stotts, Secretary, Department of Transportation  
Deb Miller, Division of Planning and Development, KDOT  
Mike Lackey, State Transportation Engineer, KDOT

Secretary Stotts said his department was here to give a report on the status of the Comprehensive Highway Plan and also to brief the committee on new federal legislation for the highway and transportation system.

Deb Miller gave a brief background on the history of major federal highway legislation. She gave a report on current systems and programs and how Kansas Department of Transportation works with the Federal Highway Administration. A copy of her report is attached. (Attachment 1).

Mike Lackey gave a status report on the source of funds and the use of funds. He explained, using visual charts and graphs, how the program was progressing. A copy of his statement is attached. (Attachment 2).

Mr. Lackey answered questions from the committee. He was told there was some concern in Southeast Kansas that the money would not be there when the time came for work in that area. Mr. Lackey said the projects had already been identified and were included in the charts. It is a slow procedure but things are progressing. He said they would try to communicate about their progress with that area. If people started seeing surveying flags they would feel something was being done.

He was also questioned about the color of paint on the bridges. He was told with the dark green paint the bridges were not very visible. Mr. Lackey said he would check this.

Mr. Lackey said the total amount for the highways would be \$3.4 billion over the eight year period.

A motion was made by Sen. Sallee and was seconded by Sen. Brady to approve the Minutes of March 19, 1991. Motion carried.

Meeting was adjourned at 10:00. Next meeting March 26, 1991.

SENATE TRANSPORTATION AND UTILITIES COMMITTEE

Date 3-21 Place 254-E Time 9:02

GUEST LIST

NAME	ADDRESS	ORGANIZATION
Deb Miller	Topeka	KDOT
Suellen Weber	"	"
Mike Loukey	"	"
George Barber	Topeka	Ks Consulting Engrs
Tom Whitaker	Topeka	Ks Motor Carriers Assn
Glen Coulter	Topeka	Ks. Good Roads Assn
Woody Mous	Topeka	Ks. Agg. Producers
GARY STOUTS	TOPEKA	KDOT
Mary Neubauer	Topeka	Assoc Press

**PRESENTATION TO THE  
SENATE COMMITTEE ON TRANSPORTATION  
March 21, 1991**

Recent reports of efforts to enact new federal legislation for highway and transportation programs have indicated that a new system of highways of national significance is being considered and that federal funding for transportation programs may be increased. These recommendations are contained in the Bush Administration's proposal for reauthorization of the Federal Surface Transportation Act.

Because Federal-aid is a significant part of the state's Comprehensive Highway Program, and because it has a major effect on the programs of local cities and counties, it is important that transportation officials and others in responsible positions understand and plan for major congressional changes.

First, it is important to clarify that the Administration's proposal has not been enacted; in fact, it has only just recently been formally introduced in Congress.

A brief discussion of the history of major federal highway legislation follows to provide background and to put the Administration's proposal in perspective. The proposal will be outlined in general terms and comparisons will be made with existing programs. Finally, some observations and criticisms of the proposal are offered followed by a discussion of likely future activities.

### **Background**

In order to comprehend the magnitude and impact of any proposed change, it is important to understand how the federal role in transportation has evolved over time and what are the existing federal systems and programs in place today.

The first major federal aid program for roads was the Federal Aid Road Act of 1916. This act authorized the use of federal money for road construction and established a formula for apportionment among the states based on land area, population and postal mileage (mileage on roads over which mail was carried).

In Kansas, this prompted the legislature to create the State Highway Commission in 1917. At that time, the Commission consisted of the Governor and two appointees who represented the eastern and western portions of the state. The Commission was authorized to enter into contracts and agreements with federal authorities

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concerning governmental aid.

The next significant federal highway legislation was developed during the Eisenhower Administration with the adoption of the Federal Aid Highway Act and the Highway Revenue Act of 1956. These far-reaching bills authorized the Interstate as a separately funded program, and created the Highway Trust Fund as a continuous reliable source of funding. Special emphasis was placed on the Interstate program by the use of a 90 percent federal matching ratio for funding projects.

Since 1956, there have been several bills which reauthorized the highway programs. In 1982, federal motor fuel taxes were raised by 5 cents to 9 cents per gallon. Additionally, heavy truck taxes were substantially increased but states were required to allow bigger, heavier trucks on state designated networks. One cent of the increased gas tax was earmarked for mass transit.

In 1984, the Deficit Reduction Act reduced scheduled tax hikes on heavy trucks and increased the tax on diesel fuel from 9 to 15 cents per gallon.

The most recent major federal highway legislation enacted was the Surface Transportation and Uniform Relocation and Assistance Act (STURAA) of 1987. In addition to reauthorizing most of the existing programs, the act allowed states to raise the speed limit to 65 mph on certain freeways and Interstate segments located outside urbanized areas of 50,000 population or more.

### **Current Systems and Programs**

Presently, in Kansas there are 133,156 miles of public roads and streets. Of that total 33,126 or approximately 25 percent are on federal aid systems and are eligible to receive federal funding for construction or reconstruction. There are actually three separate federal aid systems which are eligible for federal aid--the primary, secondary and urban systems. The Federal Aid Primary System in Kansas is 8,917 miles. It includes the Interstate and most roads on the State Highway System. The Federal Aid Secondary System in Kansas is 22,609 miles. Most of these miles are the responsibility of counties, however, there are approximately 1,642 miles which are on the State Highway System. The Urban System consists of 1,600 miles within urban areas in Kansas. Of these miles, 92 are either on the State Highway System or are a city connecting link to the State System.

Currently, funds are apportioned to states by categories such as Interstate, Interstate 4R, Primary, Secondary, Urban and Bridge. The amount of these funds is determined by often complex formulas and by discretionary allocations depending on the category. With the exception of bridges, use of these funds is limited to projects

on a specific federal aid system. For example, Urban funds must be used for projects on the designated federal aid Urban System. There are, however, limited provisions for transfer of funds between categories.

### **Efforts Toward a New Federal Aid Program**

Because the Interstate is nearly complete, funding previously dedicated for this purpose can now be used for other programs. Many officials believe this is an opportune time to reassess existing federal transportation programs. Today's transportation officials face a different set of challenges. Most of the facilities are in place. Much of the challenge is now preserving the huge investment in our roads and streets, and easing urban congestion.

Groups such as the American Association of State Highway and Transportation Officials (AASHTO), Highway Users Federation, the National Governors Association (NGA) and many others have been assessing the needs of transportation users and have made recommendations for a new federal surface transportation program. The United States Department of Transportation (USDOT) completed a comprehensive study of transportation programs and policies and released its National Transportation Policy last April. The report included a number of recommendations, implementation of which would require a restructuring of existing programs.

The 1987 STURAA expires on September 30, 1991. To continue federal programs for highways and public transportation, Congress must take some action to extend the existing programs or enact new legislation. Both the House Public Works and Transportation Committee (Kansas is represented on the committee by Representative Dick Nichols) and the Senate Environment and Public Works Committee will consider legislation this spring and summer dealing with the reauthorization.

### **The Administration's Proposal**

On February 13th the Bush Administration announced the proposed Surface Transportation Assistance Act of 1991. The draft legislation was released with a series of press conferences by the President, Secretary of Transportation Sam Skinner and FHWA Administrator Thomas Larson.

The Administration's proposed Surface Transportation Assistance Act of 1991 is a five-year program which would provide funding for the Federal highway, safety, motor carrier and transit programs for Fiscal Years 1992-1996, at a total cost of \$105 billion.



The highway portion of the proposed act contains the clear majority of the total funding. The Administration has recommended \$88 billion to fund highway programs over the five-year period. The funding level would range from \$15.8 billion in 1992 to \$20.1 billion in 1996. The federal obligation limit for highway funds in the current fiscal year is \$14.5 billion, however, accounting for all allocations, the total funding equals \$15.6 billion.

The Administration's proposal restructures the current Federal highway program into three main components:

- 1) National Highway Program
- 2) Urban/Rural Program
- 3) Bridge Program

The National Highway Program provides for a National Highway System, referred to as simply the NHS. Building on the success of the Interstate System, the NHS will incorporate the Interstate highways (which will continue to carry their own identity) and major demographic, freight and travel routes that are of national significance. The NHS will include routes that serve major population centers, ports, airports, international border crossings, meet national defense requirements, and serve interstate and interregional travel.

Specifically, the proposed 150,000 mile NHS will be comprised of the entire Interstate System, and its future additions; selected principal rural and urban arterials; the Strategic Highway Network (STRAHNET), which consists of highways that provide defense access and emergency capabilities for the movement of personnel, materials and equipment; and connectors to the STRAHNET. While NHS mileage is initially limited to 150,000, the Secretary of USDOT can make adjustments not to exceed 10 percent.

KDOT officials have been working with FHWA to designate the state's portion of the NHS. It is anticipated that the state's total mileage will approximate 3,500 miles. The latest preliminary rural mileage figure from FHWA for Kansas was 3,119 miles. Based on these preliminary figures, the state would have more rural miles on the NHS than any of its neighbors. In fact, Kansas would have the fifth largest number of rural miles (ranking behind Texas, California, Pennsylvania and Illinois), with almost 3 percent (2.96) of the national total mileage. Urban miles would add approximately 400 miles to the state's NHS.

The second major component of the Administration's proposed highway program is the Urban/Rural Program. This program would provide funding for any public road except those on the NHS and roads functionally classified as local or rural minor collector. Included under the program would be state highways off the NHS, county roads on the current Rural Secondary System and city streets on the current program's Urban System. In addition, approximately

550 miles of the state's roads which are not currently on the Federal-aid system would qualify for federal funding under the Urban/Rural Program.

The Urban/Rural Program will reduce FHWA involvement and would allow state and local officials greater discretion. States must certify that they have developed an internal funding distribution method which is fair and equitable to rural and urban areas. The Urban/Rural Program would provide for interchangeable funding with transit projects.

The third major component in the Administration's proposed bill is the Bridge Program. Any obsolete or deficient bridge is eligible for replacement or rehabilitation under this program. There will also be a special discretionary program for high-cost bridges on the NHS and on roads eligible for the Urban/Rural Program. Bridges on the NHS costing more than \$10 million and those on Urban/Rural roads costing more than \$5 million would be eligible for these discretionary funds.

Under the Administration's proposed STAA of 1991, the total highway program apportionments for Kansas would increase from the present level of \$132.9 million to \$205.8 million in 1992. The state would receive 1.40 percent of the total national apportionments compared to the current share of 1.08 percent. Of the \$205.8 million to be apportioned in 1992, 56 percent or \$114.3 million would go for the NHS; \$47.6 million or 23 percent, would be apportioned to the Urban/Rural Program; and \$43.4 million or 21 percent, would be for the Bridge Program.

The state's apportionments would continue to rise from \$205.8 million in 1992 to \$305.1 million in 1996. Over the five-year period of the proposed highway program, Kansas would be apportioned \$1,175,237,000 -- 1.465 percent of the national total.

In addition to the highway title there are three other titles in the STAA of 1991 -- safety, motor carrier and transit.

The safety title continues the existing State and Community Highway Safety Program in the current act, as well as the Speed Limit Program and the Drinking Age law. The Highway Safety Program is designed to reduce traffic accidents, deaths, injuries and property damage. States are required to provide driver improvement programs and encouragement of safety belt use. The Administration's proposal for the safety program uses the strategy of incentives to get states to implement these programs rather than sanctions. For example, under the proposal, a new Safety Bonus Program is established to award funds to states that take specific actions, both statutory and programmatic, to advance highway safety. The current requirement of the National Maximum Speed Limit Program to submit data would be repealed (although the provision would be continued under the Highway Safety Program) and

states would no longer face a loss of funds for noncompliance with the 55 mph speed law. FHWA has stated that there is no evidence which suggests that states' efforts to achieve compliance and avoid sanctions have resulted in improved highway safety.

The proposed Motor Carrier Act continues the existing Motor Carrier Safety Assistance Program and current commercial motor vehicle length and width limitations. The vehicle length and width limitations would apply to the National Highway System. Failure to certify adequate enforcement of all vehicle size and weight laws would result in withholding of apportionments.

The Motor Carrier Safety Program provides for the development and implementation of a safety program which includes the enforcement of safety regulations. The proposal also includes vehicle size and maximum weight, and drug awareness/enforcement. The motor carrier inspection program in Kansas is administered by the Kansas Highway Patrol.

The proposal would prohibit states from requiring interstate motor carriers to obtain intrastate authority. Interstate carriers would no longer need to obtain an annual cab card or annual state identification stamps. States would also be prohibited from regulating the inter- or intrastate rates, routes, or services of any interstate motor carrier.

The Federal Mass Transportation Act continues the existing formula and capital grant transit programs. All transit programs would be financed from the Mass Transit Account of the Highway Trust Fund, discontinuing the general fund support of the current program. The proposal would also provide for the interchange of transit and highway funds in an effort to give states more flexibility of funding, as well, perhaps, to draw more attention to transportation rather than the historical major focus on highways. The transit planning process would be designed to parallel the highway planning process; both must coordinate with clean air State Implementation Plans and consider multi-modal impacts and congestion management.

### **Criticisms**

As state transportation agencies and other interested organizations have had an opportunity to examine the Administration's proposed Surface Transportation Assistance Act, several criticisms have been leveled at the proposal.

#### **1) Apportionment Formulas**

The apportionment formulas for distribution of funds to the states have not been consistently well received. The formulas have been criticized for the use of fuel consumption as the principal



factor for the NHS program. The argument advanced is that states which have managed to reduce their use of motor fuels for energy and clean air purposes would be penalized for their efforts while rewarding states which had not attempted to curtail fuel use.

Concerns have also been raised over the use of both land area and low population density factors in the NHS formula. These two factors would seem to skew the formula to the benefit of large, rural western states.

The level of service bridge formula is under critical review by states as well. For many, the formula causes a significant reduction in apportionments compared to the current program.

## 2) Match Ratios

The proposed program requires an increased state/local match in almost every category. Overall the federal share of the program would decline from 83 percent this year to 72 percent under the proposed program. For some states and many local units of government it may be impossible to meet the higher match requirement. Increased funding levels for transportation programs are not a remedy if higher matching ratios make it impossible to even initiate projects.

## 3) Mileage Limits on the NHS

Many states are dissatisfied with their allotted mileages for the National Highway System, particularly the amount of urban miles. While FHWA has sought to keep the mileage in the 150,000 range, many states argue that 180,000 would be more appropriate.

## 4) Transit Funding

Transit proponents have been particularly critical of the proposal. While they had hoped for significantly higher transit funding levels, instead the funding proposal is essentially flat. More damning still in the eyes of transit activists is the Administration's proposal to fund all transit programs out of the transit account within the Highway Trust Fund. Currently transit funding also comes from the federal general fund. While in the early years of the proposal it would be possible to do this and maintain funding levels due to drawing down balances, in the later years the proposed funding levels for transit will not be possible without an additional source of funding.

## Conclusion

While KDOT could certainly find issues to disagree within this proposed legislation, for the most part it is positive for Kansas. KDOT basically agrees that the proposed structure of the highway program is an improvement. We also welcome the relaxation of federal requirements contained in the proposal. Specifically, Kansas does very well overall in terms of dollars under the Administration's proposal and, compared to our neighbors, the mileage for the state's NHS is very generous.

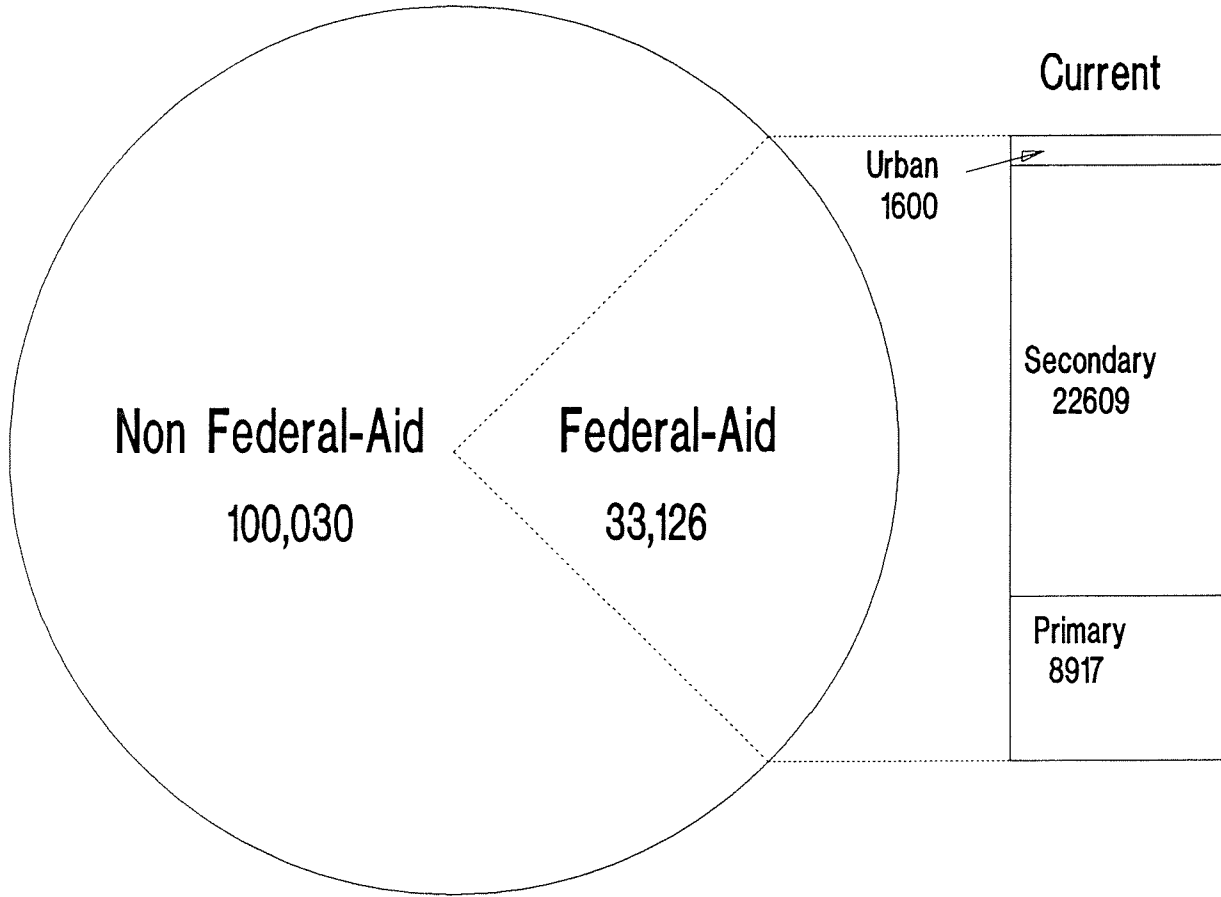
The Administration's proposed Surface Transportation Assistance Act of 1991 was formally introduced in Congress on March 7th as Senate Bill 610 and as House Resolution 1351. It is most certain that other bills will also be offered for consideration. Despite announcement of optimistic schedules by President Bush and House Public Works Chairman Roe, it is likely that legislation will not move forward as quickly as planned. In fact, there may not be action before the September 30th expiration date of the current act. If history is a guide, the 1987 legislation was finally passed six months after the expiration of the 1982 Act. Congress may ultimately choose not to pass new legislation this year. If so, one option available is to simply extend the 1987 Act.

It should be stressed that it would be premature to assume that this proposal or any part of it will become law. Further, if the Administration's proposal should be passed, funding is not guaranteed. The Omnibus Budget Reconciliation Act of 1990 placed a ceiling on domestic discretionary spending at the FY 1991 level with inflation increases. All domestic programs, including transportation, will have to compete for additional revenue and outlay ceilings will be enforced by an across-the-board sequester.

KDOT staff have been in touch with the Kansas Congressional Delegation regarding this legislation and plan to continue these contacts as this legislation moves through Congress.

We will be happy to keep you and your staff informed as well. Clearly, we have only just begun what will be a long and involved process.

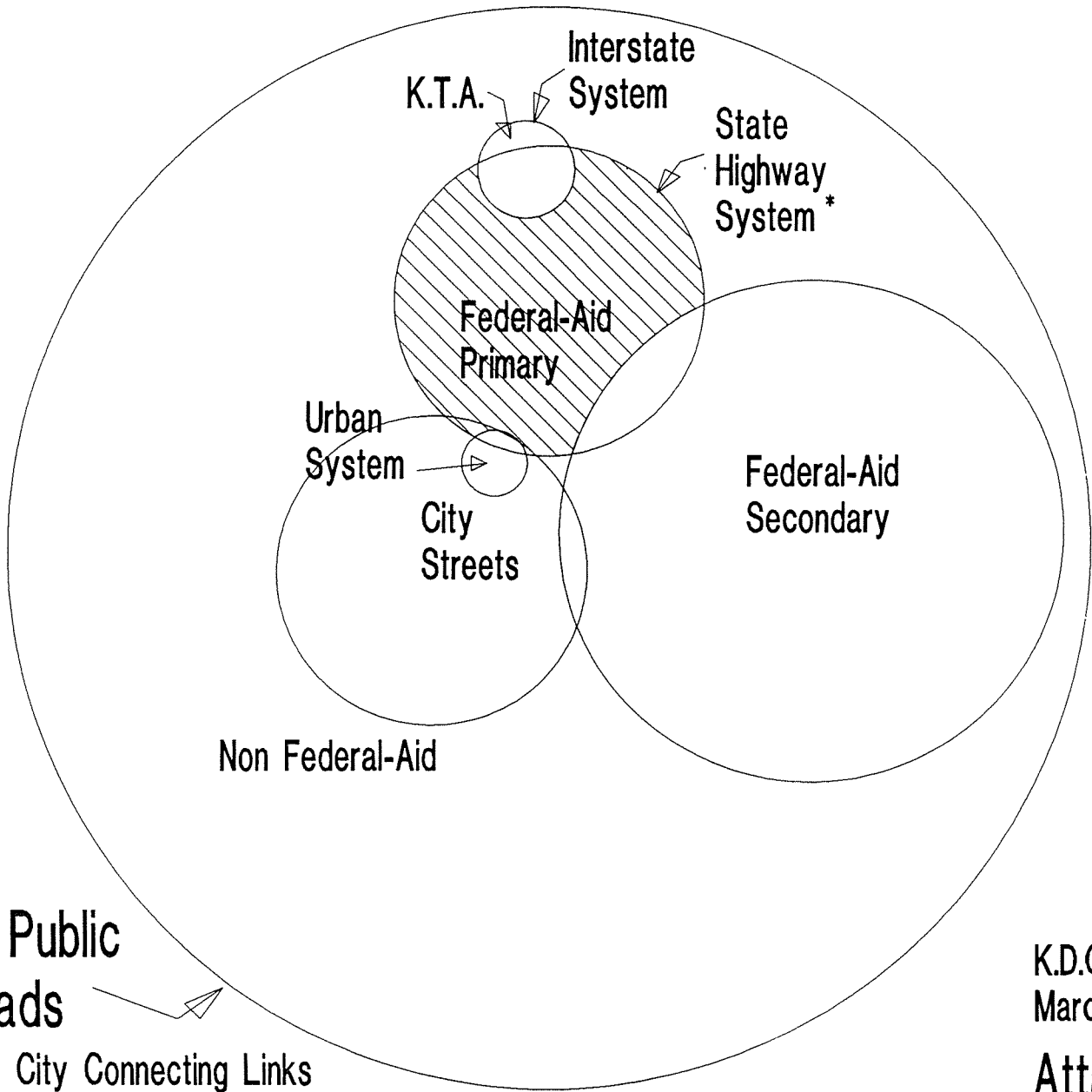
# TOTAL PUBLIC ROAD MILEAGE



K.D.O.T.  
March 21,1991

Attachment 1

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All Public Roads

\* Including City Connecting Links

K.D.O.T.  
March 21, 1991

Attachment 2

2-2

# Categories & Matching Ratios

Major Categories

Bridge 80-20
Urban 75-25
Secondary 75-25
Primary 75-25
I.C. & I4R 90-10

Current

K.D.O.T.  
March 21,1991

Attachment 3

# JURISDICTION - FEDERAL-AID SYSTEM

## Current

## Proposed

	State Highway System	City Connect. Link	City Streets	County-Township Roads	Kansas Turnpike	System Total
Interstate	514	119			238	871
Primary	7498	548				8046
Secondary	1581	61	357	20610		22609
Urban	11	81	1241	267		1600
<b>Total Federal-Aid</b>	<b>9604</b>	<b>809</b>	<b>1598</b>	<b>20877</b>	<b>238</b>	<b>33126</b>
Non Federal-Aid	* 246	4	10585	89191	4	100030
<b>Grand Total</b>	<b>9850</b>	<b>813</b>	<b>12183</b>	<b>110068</b>	<b>242</b>	<b>133156</b>

	State Highway System	City Connect. Link	City Streets	County-Township Roads	Kansas Turnpike	System Total
N.H.S./ (I-State)	514	119			238	871
N.H.S./ (Non I-St)	2400	217				2617
Urban/Rural	6690	473	2000	21033		30196
<b>Total Federal-Aid</b>	<b>9604</b>	<b>809</b>	<b>2000</b>	<b>21033</b>	<b>238</b>	<b>33684</b>
Non Federal-Aid	* 246	4	10183	89035	4	99472
<b>Grand Total</b>	<b>9850</b>	<b>813</b>	<b>12183</b>	<b>110068</b>	<b>242</b>	<b>133156</b>

\* Includes 230 Miles of Park Roads

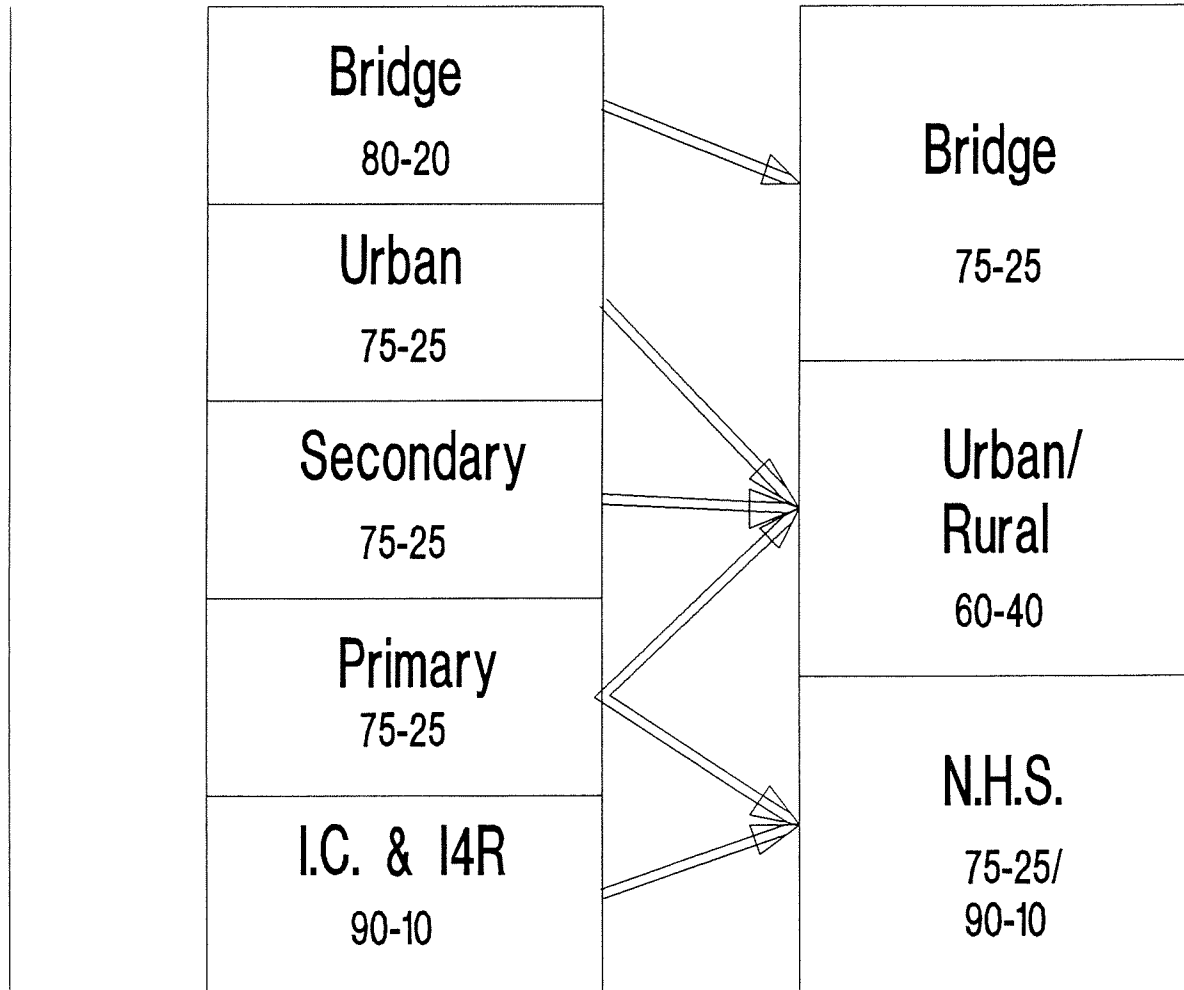
K.D.O.T.  
March 21,1991

Attachment 4



# Categories & Matching Ratios

Major Categories



Current

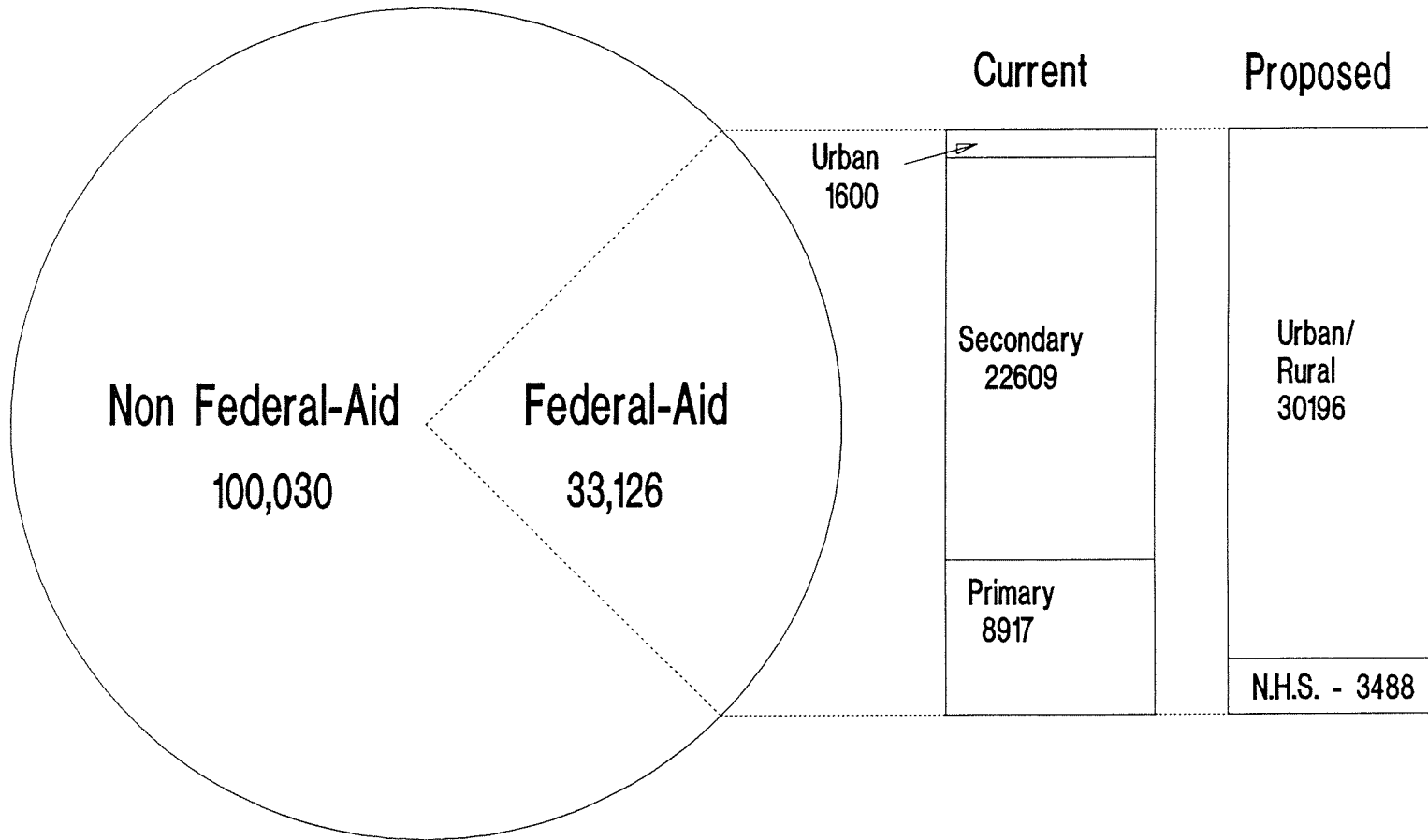
Proposed

K.D.O.T.  
March 21, 1991

Attachment 5

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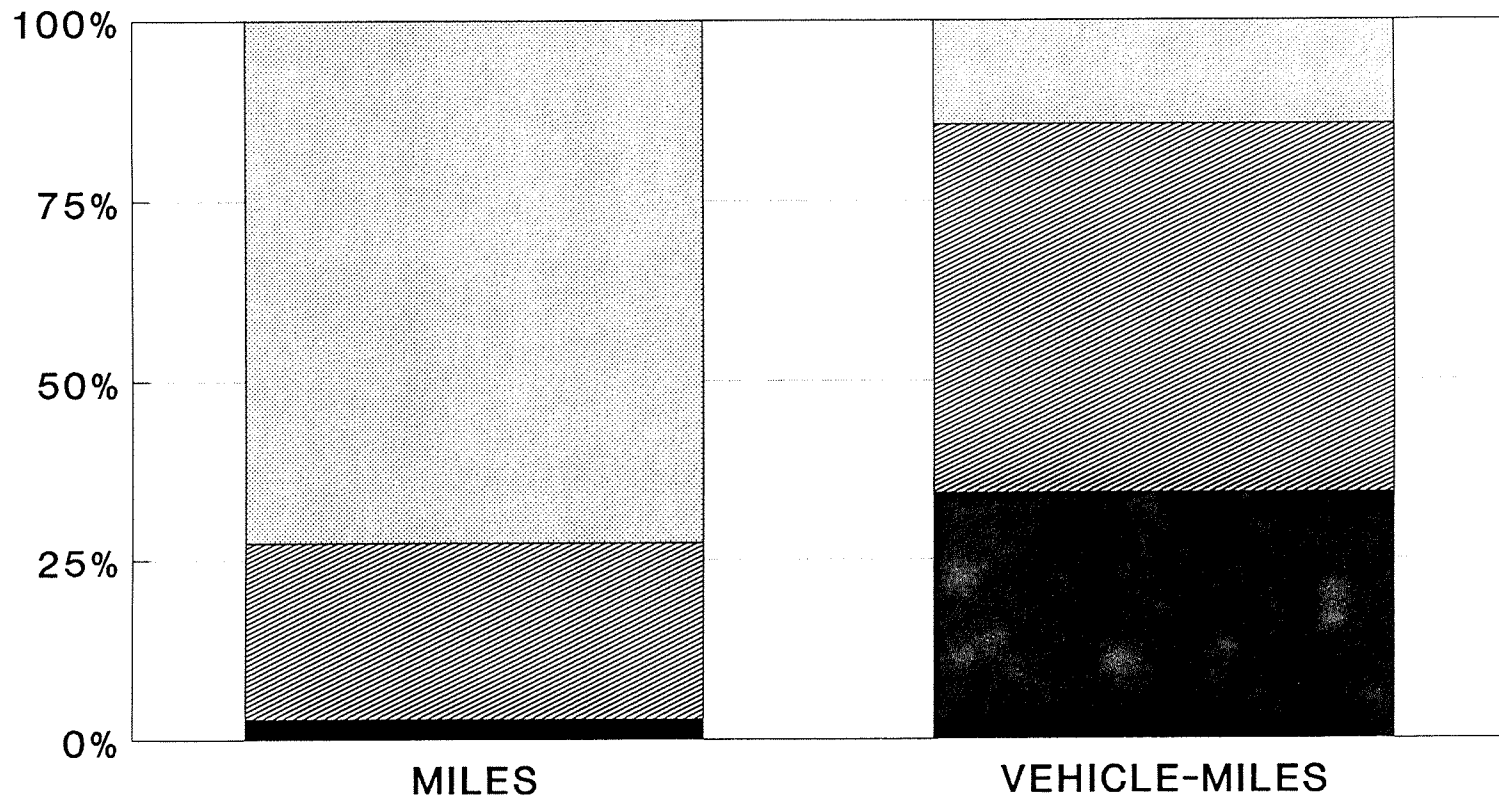
# TOTAL PUBLIC ROAD MILEAGE



K.D.O.T.  
March 21,1991

Attachment 6

# NATIONAL HIGHWAY SYSTEM MILES AND VEHICLE-MILES



■ N.H.S.    ▨ URBAN/RURAL    □ NON-F.A.

K.D.O.T.  
March 21, 1991

Attachment 7