

Approved: 3-23-99
Date

MINUTES OF THE SENATE ASSESSMENT AND TAXATION.

The meeting was called to order by Chairperson Senator Audrey Langworthy at 11:10 a.m. on March 16, 1999, in Room 519-S of the Capitol.

All members were present except:

Committee staff present: Chris Courtwright, Legislative Research Department
April Holman, Legislative Research Department
Don Hayward, Revisor of Statutes Office
Bruce Kinzie, Revisor of Statutes Office
Shirley Higgins, Committee Secretary

Conferees appearing before the committee: Chris Courtwright, Legislative Research Department
Senator Dave Kerr
Senator Jim Barone
E. Dean Carlson, Secretary of Transportation

Others attending: See attached list.

The minutes of the March 11, 1999, meeting were approved.

HB 2071-Transportation; providing for a comprehensive transportation program; concerning the financing thereof.

Chris Courtwright, Legislative Research Department, gave a brief analysis of the transportation plan embodied in **HB 2071** as amended by the House Transportation Committee. (Attachment 1) He noted that the bill was amended on the House floor with regard to noise abatement and an increase in the amount of public transit funding. The floor amendments are not reflected on the statistical charts attached to his written testimony comparing the Governor's plan with the House Taxation Committee's version. He pointed out that the main difference in terms of the spending side is that there are \$300 million less in system enhancements over eight years in the House version.

Senator Dave Kerr followed with a report on the Governor's highway plan, the House highway plan, and the Senate planning group's proposal. (Attachment 2) He explained that the Republican caucus charged the Senate planning group to work towards a plan which would not only work for highway funding but also for the State General Fund. The goals of the Senate planning group were to develop a pool of money for highways and to be more protective of the State General Fund than other plans being considered. The group also had a goal of ending the program in a fashion unlike the Governor's plan which would go substantially into a negative territory in the state highway fund and would require a follow-on plan immediately at the end.

A bullet point summary of the Senate planning group's proposal for a comprehensive transportation plan is included in Senator Kerr's handout. Also included is a chart containing specific figures regarding the Senate comprehensive transportation option. Senator Kerr pointed out that the Senate plan includes an additional \$100 million for system enhancements, and there would be no need to have another revenue enhancement at the end of the plan. In addition, the Senate plan incorporates a 5 cent motor fuel tax increase and an immediate 15 percent increase in motor vehicle registration fees for all vehicles with another 5 percent increase in 2004. Senator Kerr noted that the increase in the motor fuel tax cannot be avoided if it is assumed that one wants to be protective of the State General Fund. He further noted that there was support for the idea that out-of-state persons driving through the state should help pay for the highway system. He also explained that the new revenue from the increase in registration fees is a significant funding stream and is critical to making the plan balance. In conclusion, he noted that the Senate plan makes modest progress in protecting the State General Fund, and the weakest aspect of the Senate plan is the extent to which it is successful in protecting the State General Fund. He said there is still a risk factor because the profile assumes the 4 percent growth in revenues that have been the assumed rate of growth for some time. However, this assumption presents less of a problem with this plan than it does with some of the prior plans.

CONTINUATION SHEET

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE, Room 519-S
Statehouse, at 11:10 on March 16, 1999.

Senator Jim Barone, speaking for himself and his constituents, expressed bipartisan support for a comprehensive transportation plan. He believes that the vast majority of Kansans are supportive of a meaningful and adequate comprehensive transportation program and are willing to pay for it through a broad based funding package with a mix of bonding, motor fuel tax, and other user fees. (Attachment 3)

For the purpose of Committee discussion and debate, Senator Bond moved to amend HB 2071 with the plan outlined by Senator Kerr and essentially endorsed by Senator Barone, seconded by Senator Goodwin. The motion carried.

E. Dean Carlson, Secretary of Transportation, distributed copies of his hand out entitled, "Comprehensive Transportation Program." He discussed the following topics included in the hand out: (1) Current Transportation System, (2) Shoulder Deficiencies on the State System after CHP, (3) Pavement Deficiencies on the State System after CHP, (4) Bridge Deficiencies on the State System after CHP, (5) Highway Program Components, (6) Governor's Recommended CTP FY 2000-2007. (7) Local Jurisdiction Component, CTP Recommendations, and (8) Noise Abatement Amendment. (Attachment 4)

Senator Steineger asked Secretary Carlson what the Kansas Department of Transportation (KDOT) would budget for enhancements and construction for the upcoming fiscal year if, by chance, a transportation plan is not passed this legislative session. Secretary Carlson responded that KDOT's budget for new enhancements will be zero if a plan is not passed this year. The budget for construction will be what is shown in the fiscal year 2001 interim plan which is approximately \$450 million as opposed to approximately \$725 million if the proposed plan is passed.

There being no further time, the hearing was continued to March 17, 1999.

The meeting was adjourned at 12:10 p.m.

The next meeting is scheduled for March 17, 1999.

**SENATE ASSESSMENT AND TAXATION COMMITTEE
GUEST LIST**

DATE: March 16, '99

NAME	REPRESENTING
Mary Bleker	Kansas Respond
Tom Schaefer	City of Lenexa
ART Brunert	mis. gm. SanBerners ALPs
MARY E. TURKINGTON	T/2000
Don Gouton	Johnson County
Paul Burke	Highway 69 Association
Judy Moler	No. Assn of Counties
RICHARD ROEWALD	TAXPAYERS
Bill Watts	KDOT
Don Conway	DOB
Lillian Cole	Sen. Lyon - Intern
Ken W Davis	KDOT
Jan Davelin	Hutchinson Chamber of Commerce
Beyne Koch	Archata Chamber
Marci Len	Sedgwick County
George Barbee	Barbee & Associates
Chico Palczala	Intern - KDOT
Anthony A. Fardale	Dept of Admin / AOC/COA
E. Dean Carlson	KDOT

SENATE ASSESSMENT AND TAXATION COMMITTEE
GUEST LIST

DATE: March 16, 1999

NAME	REPRESENTING
Mars Tallman	KASB
David Mitchell	Economic Lifelines
Eugene Cook Beacham	K.C.A.
Mike Brussel	Sen Ken.
Mike Taylor	City of Wichita
Kelly Kuitala	City of Overland Park
Don Miller	LKM.
Rud E. Hund	Ks Ind Oil & Gas Assoc
Ken Peterson	Ks Petroleum Council
Tom Tunnell	Kansas Grain & Feed Association
SCOTT SUHAJDA	MGA
Don Schuack	ICDGR
BB Jotter	Ks Contractors Association
M. Tommas	Pittsburg State U.
TOM PALACE	PMCA OF KANSAS
STEVE KEARNEY	PMCA OF KANSAS
Rosie Ingram	KDOT
Lance Latham	Economic Lifelines
MARK BURSHART	CENTRAL KANSAS RAILWAY

SENATE ASSESSMENT AND TAXATION COMMITTEE
GUEST LIST

DATE: March 16, 1999

NAME	REPRESENTING
Donna Coulter	Ks. Good Roads Assn
Jim Wethoff	Ks AFL-CIO
Shirley Sicilian	Ks. Dept. of Revenue
Nancy Boaina	KDOT
Mike Lackey	KDOT
Patrick Shirley	Economic Rightlines
Chris McKenna	League
Robert Haley	KDOT
Scott Mitchell	White Eagle
Ed De Soiznie	Heavy Constructors Assoc.
John Fowler	Kansas Chamber of Commerce & Ind.
Ashley Sherard	Overland Park Chamber
Natale Bright	KCCI
Christy Caldwell	Topeka Chamber of Comm.
Jacelin Clark	Hallmark Cards
Jenny Unruh	Greater KC. Chamber of Commerce CO
Dee Carter	Ks. Contractors Assoc.
Keve Peters	Ks taxpayers Network
TOM WHITAKER	Ks MOTOR CARRIERS ASSN.

February 19, 1999

MEMORANDUM

To: Rep. Gary Hayzlett
From: Chris W. Courtwright, Principal Analyst
Re: Comprehensive Transportation Proposal Embodied in HB 2071

This memo responds to your request for a bullet-point analysis of the transportation plan embodied in HB 2071 as amended by the House Transportation Committee.

- The sales tax demand transfer from the SGF to the SHF would be increased as recommended by the Governor – from 7.628 percent to 9 percent in FY 2000 and to 10 percent in FY 2001 and thereafter. These enhancements would provide about \$299 million in additional revenue over the eight-year life of the program and \$445 million over eleven years.
- The assumption is that none of the Governor's tax recommendations would be enacted, including the motor vehicle tax cuts, the severance tax repeal on oil and coal, or the sales tax exemptions for grain, the proposed expansion of the business machinery and equipment income tax credit to 20 percent of property taxes paid, and the enhancement of the adoption income tax credits. These monies would be earmarked instead for revenue transfers to the SHF.
- The revenue transfers so determined would equal \$1.519 billion over the eight-year life of the transportation plan and \$2.687 billion over eleven years.
- No new bonded indebtedness would be authorized.
- Expenditure assumptions are identical to Governor's for maintenance, major modification and priority bridges, modes, and local aid and financing.
- Information provided by KDOT suggests that about \$300 million less in system enhancements could be provided over the eight-year program relative to the Governor's proposal (\$700 million versus \$1 billion).
- Projected SHF "ending balance over required" in FY 2008 – the fiscal year after the end of the program – would be \$361.3 million. The "ending balance over required" under the Governor's plan would be a *negative* \$140.7 million.

Senate Assessment & Taxation
3-16-99
Attachment 1

Governor's Tax Package							Transportation Plan		
(\$ in millions)							(with no bonds)		
	c and i m and e credit to 20%	car taxes	severance	adoption	grain	total	Revenue Transfers in lieu of tax cuts	Demand Transfer Increase to 9, 10%	Total New Resources Available
FY									
00	(\$6.5)	---	(\$3.8)	(\$1.9)	(\$0.7)	(\$12.9)	\$12.9	\$19.7	\$32.6
01	(\$10.5)	(\$22.5)	(\$5.1)	(\$1.9)	(\$0.8)	(\$40.8)	\$40.8	\$35.4	\$76.3
02	(\$11.3)	(\$79.4)	(\$7.6)	(\$1.9)	(\$0.9)	(\$101.1)	\$101.1	\$36.8	\$137.9
03	(\$12.2)	(\$144.3)	(\$7.6)	(\$1.9)	(\$0.9)	(\$166.9)	\$166.9	\$38.3	\$205.2
04	(\$13.2)	(\$218.0)	(\$7.6)	(\$1.9)	(\$0.9)	(\$241.6)	\$241.6	\$39.8	\$281.5
05	(\$14.3)	(\$271.8)	(\$7.6)	(\$1.9)	(\$1.0)	(\$296.6)	\$296.6	\$41.4	\$338.0
06	(\$15.5)	(\$292.6)	(\$7.6)	(\$1.9)	(\$1.0)	(\$318.6)	\$318.6	\$43.1	\$361.7
07	(\$16.7)	(\$313.1)	(\$7.6)	(\$1.9)	(\$1.1)	(\$340.4)	\$340.4	\$44.8	\$385.2
08	(\$18.1)	(\$335.0)	(\$7.6)	(\$1.9)	(\$1.1)	(\$363.7)	\$363.7	\$46.6	\$410.3
09	(\$19.6)	(\$358.4)	(\$7.6)	(\$1.9)	(\$1.1)	(\$388.7)	\$388.7	\$48.5	\$437.1
10	(\$21.2)	(\$383.5)	(\$7.6)	(\$1.9)	(\$1.2)	(\$415.4)	\$415.4	\$50.4	\$465.8
Total 8 yrs	(\$100.2)	(\$1,341.7)	(\$54.5)	(\$15.2)	(\$7.3)	(\$1,518.9)	\$1,518.9	\$299.5	\$1,818.3
Total 11 yrs	(\$159.0)	(\$2,418.6)	(\$77.3)	(\$20.9)	(\$10.8)	(\$2,686.6)	\$2,686.6	\$445.0	\$3,131.6

1. noise abatement
 2. increase in amount of public transit funding } floor amendments
 not reflected on chart

Legislative Research - Request February 15 #2 House Transportation

1-3

	Governor's Comprehensive Transportation Program		Comprehensive Transportation Program		Difference	
	FY 00-07 Avg	FY 00-07 Total	FY 00-07 Avg	FY 00-07 Total	FY 00-07 Avg	FY 00-07 Total
	Program Totals					
Maintenance:						
Routine Maintenance	\$ 119	\$ 952	\$ 119	\$ 952	\$ -	\$ -
Substantial Maintenance	201	1,608	201	1,608	-	-
Construction:						
Major Modification & Priority Bridge	399	3,192	399	3,192	-	-
System Enhancement	125	1,000	88	700	(38)	(300)
Modes:						
Aviation	3	24	3	24	-	-
Public Transit (Includes both State & Federal Funds)	10	80	10	80	-	-
Rail (Includes both State & Federal Funds)	4	32	4	32	-	-
Local:						
Special City and County Highway Fund	160	1,280	160	1,280	-	-
Local Federal Aid Projects (Includes Local Match)	80	640	80	640	-	-
Local Partnership (Includes Local Match)	25	200	25	200	-	-
KLINK Maintenance Payments	3	24	3	24	-	-
Management and Other	73	584	73	584	-	-
Transfers Out	48	384	48	384	-	-
Debt Service (Existing CHP debt)	85	680	85	680	-	-
	<u>\$ 1,335</u>	<u>\$ 10,680</u>	<u>\$ 1,298</u>	<u>\$ 10,380</u>	<u>\$ (38)</u>	<u>\$ (300)</u>
Revenue Enhancements						
Motor Fuel Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Registration Fees	-	-	-	-	-	-
SGF (Sales Tax Transfer) increase to current statute	31	248	31	248	-	-
SGF (Sales Tax Transfer) increase above current statute	37	299	37	299	-	-
Retail Sales and Compensating Tax (Direct)	-	-	-	-	-	-
Other Revenues			190	1,519	190	1,519
Interest on Funds	32	254	3	21	(29)	(233)
Subtotal Revenue Enhancemnets	<u>\$ 100</u>	<u>\$ 801</u>	<u>\$ 261</u>	<u>\$ 2,087</u>	<u>\$ 161</u>	<u>\$ 1,286</u>
Bonds (net of issue costs)	\$ 267	\$ 2,135	\$ -	\$ -	\$ (267)	\$ (2,135)
Interest on Bond Proceeds	8	62	-	-	(8)	(62)
Net from Bond Sales	<u>\$ 275</u>	<u>\$ 2,197</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (275)</u>	<u>\$ (2,197)</u>
Total Enhanced Resources	<u>\$ 375</u>	<u>\$ 2,997</u>	<u>\$ 261</u>	<u>\$ 2,087</u>	<u>\$ (114)</u>	<u>\$ (910)</u>
Increase in Debt Service	73	580	-	-	(73)	(580)
Net Resources for Program	<u>\$ 302</u>	<u>\$ 2,417</u>	<u>\$ 261</u>	<u>\$ 2,087</u>	<u>\$ (41)</u>	<u>\$ (330)</u>

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STATE OF KANSAS

236 N EAGLE ROAD
HEALY, KANSAS 67840
(316) 388-2238
350-W STATE CAPITOL
TOPEKA, KS 66612-1504
(785) 296-2302



STATE REPRESENTATIVE
117TH DISTRICT
HODGEMAN, LANE, NESS
RUSH AND FINNEY COUNTIES

Speaker of the House

Robin Jennison

House Leadership Comprehensive Transportation Plan

- \$10.38 billion in total revenue over the next 8 years, \$2.1 billion in new revenue without raising taxes or bonding
- Funded by using the Governor's recommended sales tax transfer and the revenue from the Governor's tax package
- Comparison to Governor's plan - \$10.68 billion in total revenue, \$2.4 billion in new revenue
- Will spend \$300 million less than the Governor over eight years in System Enhancements - approximately \$38 million per year
- Saves \$2.2 billion in interest compared to the Governor's plan over the life of the bonds
- In 2008 the Kansas Department of Transportation (KDOT) will have an ending balance of \$364.2 million compared to a negative balance of \$140.7 million for the Governor's plan
- In 2009, KDOT will have a \$663.1 million ending balance compared to a negative balance of \$350.3 million for the Governor's plan
- In 2010, KDOT will have a 1.05 billion ending balance compared to a negative balance of \$511.3 million for the Governor
- Total revenue shortfall for Governor's plan from 2008 - 2010 = \$1.00 billion
- Total surplus for House GOP plan from 2008 - 2010 = \$2.09 billion
- Difference in 2008 - 2010 plan - \$3.09 billion
- In Fiscal Years 2008 - 2015, the Governor's plan has \$995 million in additional debt service, the House plan has \$0

Kansas Department of Transportation
All Agency Funds

Legislative Research - Request February 15 #2 (House Transportation)

1-5

(\$000)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07
BEGINNING BALANCE	688,185	581,949	480,349	339,837	196,173	131,396	112,806	144,889	196,369	249,557	308,083	467,545	765,584	480,349	60,044
Current Resources															
Current Revenues:															
State Revenues															
Motor Fuel Taxes	317,873	324,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	2,652,000	331,500
SGF (Sales Tax) Transfer	85,839	87,899	89,438	91,003	92,595	94,216	95,864	97,542	99,249	100,986	102,753	104,551	106,381	760,892	95,112
Sales & Compensating Tax (1/4 cent)	82,567	86,022	89,247	92,817	96,530	100,391	104,407	108,583	112,926	117,443	122,141	127,027	132,108	822,345	102,793
Registration Fees	117,280	126,000	127,000	128,000	129,000	130,000	131,000	132,000	133,000	134,000	135,000	136,000	137,000	1,044,000	130,500
Interest (current program)	50,657	41,720	15,515	10,186	6,483	3,390	1,903	1,929	1,955	1,982	1,986	1,988	1,989	43,344	5,418
Miscellaneous Revenues	10,935	15,460	10,857	10,193	10,540	10,928	11,358	11,831	12,282	12,760	13,244	13,616	13,751	90,749	11,344
Statutory Transfers In	14,881	14,566	14,753	14,949	15,148	15,351	15,557	15,766	15,980	16,197	16,418	16,643	16,872	123,701	15,463
Subtotal	680,033	696,167	678,310	678,647	681,796	685,776	691,589	699,152	706,892	714,869	723,042	731,325	739,600	5,537,031	692,129
Federal & Local Receipts															
Federal Aid Reimbursement	195,034	315,405	275,892	282,180	289,900	274,724	270,853	275,144	279,473	284,067	287,587	292,964	293,455	2,232,232	279,029
Local Receipts	26,624	20,100	20,654	20,978	20,546	19,708	19,277	19,474	19,652	19,829	20,026	20,026	20,026	160,118	20,015
Subtotal Fed & Local	221,658	335,504	296,546	303,158	310,446	294,432	290,130	294,618	299,125	303,896	307,613	312,990	313,481	2,392,350	299,044
Total Current Revenues	901,691	1,031,671	974,856	981,805	992,242	980,208	981,719	993,770	1,006,017	1,018,764	1,030,655	1,044,315	1,053,081	7,929,380	991,173
Resource Enhancements:															
State Revenues															
Motor Fuel Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales & Compensating Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SGF Transfer increase to 7.628%	-	-	19,833	22,921	25,885	29,004	32,284	35,732	39,356	43,163	47,162	51,361	55,767	248,180	31,022
SGF Transfer increase from 7.628%	-	-	19,654	35,426	36,843	38,317	39,849	41,443	43,101	44,825	46,618	48,483	50,422	299,457	37,432
Registration Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	12,900	40,800	101,100	166,900	241,600	296,600	318,600	340,400	363,700	388,700	415,400	1,518,900	189,863
Interest (increase)	-	-	2,185	114	-	-	1,260	3,285	5,629	8,145	13,364	26,773	43,801	20,618	2,577
Subtotal	-	-	54,572	99,261	163,828	234,221	314,994	377,060	406,686	436,533	470,844	515,317	565,391	2,087,155	260,894
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Resource Enhancements	-	-	54,572	99,261	163,828	234,221	314,994	377,060	406,686	436,533	470,844	515,317	565,391	2,087,155	260,894
TOTAL RECEIPTS	901,691	1,031,671	1,029,428	1,081,066	1,156,070	1,214,429	1,296,712	1,370,830	1,412,703	1,455,297	1,501,500	1,559,631	1,618,472	10,016,535	1,252,067
AVAILABLE RESOURCES	1,589,876	1,613,620	1,509,777	1,420,903	1,352,243	1,345,825	1,409,519	1,515,720	1,609,072	1,704,854	1,809,583	2,027,176	2,384,056	10,496,884	1,312,110
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07

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Legislative Research - Request February 15 #2 House Transportation

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07
EXPENDITURES:															
State Highway Maintenance															
Routine Maintenance:	100,075	99,983	107,315	110,213	113,188	116,358	119,732	123,444	127,394	131,598	136,072	140,835	145,764	949,242	118,655
Substantial Maintenance	132,592	144,866	190,705	179,671	185,018	191,122	197,208	204,048	214,236	223,380	233,064	243,280	253,995	1,585,387	198,173
Total	232,667	244,848	298,020	289,883	298,206	307,480	316,940	327,492	341,630	354,978	369,136	384,115	399,759	2,534,629	316,829
Sate Highway Construction															
Major Modifications & Priority Bridge	288,331	428,165	367,649	379,041	382,651	377,576	389,955	403,634	413,307	433,703	400,867	349,776	304,375	3,147,515	393,439
System Enhancements	105,944	35,802	32,932	64,887	58,056	62,606	65,708	98,658	109,562	107,352	70,413	21,203	2,437	599,760	74,970
Total	394,275	463,967	400,580	443,928	440,707	440,182	455,663	502,292	522,868	541,054	471,280	370,979	306,812	3,747,275	468,409
Modes	5,107	6,161	15,454	16,014	16,325	16,733	17,071	17,548	17,929	18,324	16,430	16,405	16,538	135,397	16,925
Local Assistance															
Special City & County Highway Fund	139,476	141,761	156,013	159,567	159,766	159,969	160,175	160,384	160,597	160,814	161,035	161,260	161,488	1,277,286	159,661
Local Federal Aid Projects	64,646	77,250	82,250	84,750	82,250	79,750	77,250	77,250	77,250	77,250	77,250	77,250	77,250	638,000	79,750
Partnership Programs	17,143	18,180	19,555	21,735	22,799	23,572	24,418	25,216	26,402	27,609	28,812	29,250	29,707	191,305	23,913
KLINK Maintenance Payments	2,240	2,240	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	26,880	3,360
Other															
Total	223,505	239,431	261,178	269,413	268,175	266,651	265,202	266,210	267,609	269,033	270,457	271,120	271,805	2,133,471	266,684
Management and other	55,622	63,748	62,246	76,600	67,384	70,665	77,146	71,730	73,873	76,147	75,723	78,090	80,540	575,792	71,974
Transfers Out	39,686	41,369	47,121	43,559	44,735	45,987	47,321	48,788	50,349	52,011	53,779	55,661	57,610	379,871	47,484
Debt Service - CHP Bonds	57,064	73,747	85,340	85,333	85,314	85,321	85,286	85,290	85,256	85,225	85,233	85,222	85,156	682,366	85,296
Debt Service - CTP Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,007,927	1,133,272	1,169,939	1,224,730	1,220,847	1,233,019	1,264,629	1,319,350	1,359,515	1,396,772	1,342,038	1,261,592	1,218,220	10,188,801	1,273,600
ENDING BALANCE	581,949	480,349	339,837	196,173	131,396	112,806	144,889	196,369	249,557	308,083	467,545	765,584	1,165,836	308,083	38,510
Required Ending Balance	93,159	100,212	103,880	104,151	104,397	104,631	104,902	109,329	132,936	300,346	106,212	105,473	105,556	300,346	
Ending Balance over required	488,790	380,137	235,958	92,022	26,999	8,176	39,988	87,041	116,621	7,737	361,333	660,111	1,060,280	7,737	
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		

NOTE: Required Ending Balances reflected.

1. Amounts required to satisfy bond debt service requirements
2. Funds allocated by statute for distribution to specific programs
3. A calculation of a necessary reserve to complete CTP projects
4. An amount necessary to provide for orderly payment of agency bills.

Bond Assumptions:

Interest Rate: 4.75%
 Term: 25 years
 Issue Costs: 1.50%

Inflation Assumptions

Agency operations: CPI-U as forcast by DRI-McGraw Hill
 Construction Costs: CPI-U plus 1.0%

Note: These numbers are estimates of "cash flow." For example, a construction project financed with bond proceeds is shown as an expenditure when project payments are made. Debt Service is also shown as an expenditure when payments are made. The Kansas "budget basis" would not reflect the project expenditure because the Kansas "budget basis" reflects only debt service. In addition, the "budget basis" and "program expenditures" reflect the full cost of a project as an expenditure when the construction contract is awarded. Projects, such as system enhancement projects, which are let in the FY 2000 through FY 2007 period will be shown as "program expenditure" but will have cash payouts after the period.

Kansas Department of Transportation
All Agency Funds
(\$000)

Governor's Proposed Comprehensive Transportation Program

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07
BEGINNING BALANCE	688,185	581,949	475,950	831,298	1,149,689	963,217	1,142,332	891,668	1,012,924	706,934	382,003	36,176	(191,266)	475,950	59,494
Current Resources															
Current Revenues:															
State Revenues															
Motor Fuel Taxes	317,873	324,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	2,652,000	331,500
SGF (Sales Tax) Transfer	85,839	87,899	89,438	91,003	92,595	94,216	95,864	97,542	99,249	100,986	102,753	104,551	106,381	760,892	95,112
Sales & Compensating Tax (1/4 cent)	82,567	86,022	89,247	92,817	96,530	100,391	104,407	108,583	112,926	117,443	122,141	127,027	132,108	822,345	102,793
Registration Fees	117,280	126,000	127,000	128,000	129,000	130,000	131,000	132,000	133,000	134,000	135,000	136,000	137,000	1,044,000	130,500
Interest (current program)	50,657	41,846	15,932	10,929	7,566	4,734	3,521	3,747	3,957	4,023	4,046	4,047	4,048	54,409	6,801
Miscellaneous Revenues	10,935	15,460	10,857	10,193	10,540	10,928	11,358	11,831	12,282	12,760	13,244	13,616	13,751	90,749	11,344
Statutory Transfers In	14,881	14,566	14,753	14,949	15,148	15,351	15,557	15,766	15,980	16,197	16,418	16,643	16,872	123,701	15,463
Subtotal	680,033	696,293	678,727	679,390	682,879	687,120	693,207	700,970	708,893	716,909	725,102	733,384	741,660	5,548,096	693,512
Federal & Local Receipts															
Federal Aid Reimbursement	195,034	315,405	275,892	282,180	289,900	274,724	270,853	275,144	279,473	284,067	287,587	292,964	293,455	2,232,232	279,029
Local Receipts	26,624	20,100	20,654	20,978	20,546	19,708	19,277	19,474	19,652	19,829	20,026	20,026	20,026	160,118	20,015
Subtotal Fed & Local	221,658	335,504	296,546	303,158	310,446	294,432	290,130	294,618	299,125	303,896	307,613	312,990	313,481	2,392,350	299,044
Total Current Revenues	901,691	1,031,797	975,273	982,548	993,325	981,552	983,337	995,588	1,008,018	1,020,805	1,032,715	1,046,374	1,055,141	7,940,445	992,556
Resource Enhancements:															
State Revenues															
Motor Fuel Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales & Compensating Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SGF Transfer increase to 7.628%	-	-	19,833	22,921	25,885	29,004	32,284	35,732	39,356	43,163	47,162	51,361	55,767	248,180	31,022
SGF Transfer increase from 7.628%	-	-	19,654	35,426	36,843	38,317	39,849	41,443	43,101	44,825	46,618	48,483	50,422	299,457	37,432
Registration Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (increase)	-	-	24,929	45,906	41,712	53,622	44,164	49,708	36,141	20,584	2,872	-	-	316,767	39,596
Subtotal	-	-	64,416	104,253	104,440	120,943	116,297	126,884	118,598	108,572	96,652	99,843	106,189	864,404	108,050
Bond Proceeds	-	-	520,233	533,446	42,946	439,098	47,408	443,880	52,727	55,736	-	-	-	2,135,475	266,934
Total Resource Enhancements	-	-	584,649	637,700	147,386	560,041	163,705	570,764	171,325	164,309	96,652	99,843	106,189	2,999,879	374,985
TOTAL RECEIPTS	901,691	1,031,797	1,559,921	1,620,248	1,140,711	1,541,593	1,147,042	1,566,352	1,179,343	1,185,114	1,129,367	1,146,217	1,161,330	10,940,324	1,367,541
AVAILABLE RESOURCES	1,589,876	1,613,746	2,035,872	2,451,546	2,290,400	2,504,811	2,289,373	2,458,020	2,192,268	1,892,048	1,511,370	1,182,393	970,064	11,416,274	1,427,034
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07
EXPENDITURES:															
State Highway Maintenance															
Routine Maintenance:	100,075	99,983	107,315	110,213	113,188	116,358	119,732	123,444	127,394	131,598	136,072	140,835	145,764	949,242	118,655
Substantial Maintenance	132,592	144,866	190,705	179,671	185,018	191,122	197,208	204,048	214,236	223,380	233,064	243,280	253,995	1,585,387	198,173
Total	232,667	244,848	298,020	289,883	298,206	307,480	316,940	327,492	341,630	354,978	369,136	384,115	399,759	2,534,629	316,829
State Highway Construction															
Major Modifications & Priority Bridge	288,331	428,165	367,649	379,041	382,651	377,576	389,955	403,634	413,307	433,703	400,867	349,776	304,375	3,147,515	393,439
System Enhancements	105,944	40,326	42,478	91,202	111,508	118,009	122,440	126,655	135,088	117,645	100,590	30,290	3,482	865,025	108,128
Total	394,275	468,491	410,127	470,243	494,159	495,585	512,395	530,288	548,395	551,348	501,457	380,066	307,857	4,012,540	501,568
Modes	5,107	6,161	15,454	16,014	16,325	16,733	17,071	17,548	17,929	18,324	16,430	16,405	16,538	135,397	16,925
Local Assistance															
Special City & County Highway Fund	139,476	141,761	156,013	159,567	159,766	159,969	160,175	160,384	160,597	160,814	161,035	161,260	161,488	1,277,286	159,661
Local Federal Aid Projects	64,646	77,250	82,250	84,750	82,250	79,750	77,250	77,250	77,250	77,250	77,250	77,250	77,250	638,000	79,750
Partnership Programs	17,143	18,180	19,555	21,735	22,799	23,572	24,418	25,216	26,402	27,609	28,812	29,250	29,707	191,305	23,913
KLINK Maintenance Payments	2,240	2,240	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	26,880	3,360
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	223,505	239,431	261,178	269,413	268,175	266,651	265,202	266,210	267,609	269,033	270,457	271,120	271,805	2,133,471	266,884
Management and other	55,622	63,748	62,246	76,600	67,384	70,665	77,146	71,730	73,873	76,147	75,723	78,090	80,540	575,792	71,974
Transfers Out	39,686	41,369	47,121	43,559	44,735	45,987	47,321	48,788	50,349	52,011	53,779	55,661	57,610	379,871	47,484
Debt Service - CHP Bonds	57,064	73,747	85,340	85,333	85,314	85,321	85,286	85,290	85,256	85,225	85,233	85,222	85,156	682,366	85,296
Debt Service - CTP Bonds	-	-	25,087	50,812	52,883	74,058	76,344	97,749	100,292	102,980	102,980	102,980	102,980	580,205	72,526
TOTAL EXPENDITURES	1,007,927	1,137,796	1,204,573	1,301,857	1,327,182	1,362,479	1,397,705	1,445,096	1,485,333	1,510,045	1,475,194	1,373,659	1,322,244	11,034,271	1,379,284
ENDING BALANCE	581,949	475,950	831,298	1,149,689	963,217	1,142,332	891,668	1,012,924	706,934	382,003	36,176	(191,266)	(352,180)	382,003	47,750
Required Ending Balance	93,159	112,881	129,703	131,335	142,509	144,147	155,394	161,292	199,548	370,948	176,832	159,022	159,105	370,948	
Ending Balance over required	488,790	363,069	701,595	1,018,354	820,708	998,185	736,274	851,632	507,386	11,055	(140,657)	(350,288)	(511,285)	11,055	
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		

NOTE: Required Ending Balances reflected.

1. Amounts required to satisfy bond debt service requirements
2. Funds allocated by statute for distribution to specific programs
3. A calculation of a necessary reserve to complete CTP projects
4. An amount necessary to provide for orderly payment of agency bills.

Bond Assumptions:

Interest Rate: 4.75%
 Term: 25 years
 Issue Costs: 1.50%

Inflation Assumptions

Agency operations: CPI-U as forecast by DRI-McGraw Hill
 Construction Costs: CPI-U plus 1.0%

Note: These numbers are estimates of "cash flow." For example, a construction project financed with bond proceeds is shown as an expenditure when project payments are made. Debt Service is also shown as an expenditure when payments are made. The Kansas "budget basis" would not reflect the project expenditure because the Kansas "budget basis" reflects only debt service. In addition, the "budget basis" and "program expenditures" reflect the full cost of a project as an expenditure when the construction contract is awarded. Projects, such as system enhancement projects, which are let in the FY 2000 through FY 2007 period will be shown as "program expenditure" but will have cash payouts after the period.

**KANSAS DEPARTMENT OF TRANSPORTATION
Governor's Proposed Comprehensive Transportation Program**

Principal Issued \$2,167,995
Interest Rate 4.75%
Term 25

(In Thousands)

FY Ending 6/30	Current Debt			New Debt Service			Combined Debt Service
	Out- Standing	Debt Service	Additional Bonds	Principal	Interest	Total	
99	\$ 832,035	\$ 73,747					73,747
00		85,340	528,155	-	25,087	25,087	110,427
1		85,333	541,570	-	50,812	50,812	136,145
2		85,314	43,600	-	52,883	52,883	138,197
3		85,321	445,785	-	74,058	74,058	159,378
4		85,286	48,130	-	76,344	76,344	161,630
5		85,290	450,640	-	97,749	97,749	183,040
6		85,256	53,530	-	100,292	100,292	185,548
7		85,225	56,585	-	102,980	102,980	188,205
8		85,233		-	102,980	102,980	188,213
9		85,222		-	102,980	102,980	188,202
10		85,156		-	102,980	102,980	188,136
11		85,155		-	102,980	102,980	188,134
12		85,204		-	102,980	102,980	188,184
13		60,466		28,805	102,980	131,785	192,251
14		24,181		66,460	101,612	168,072	192,252
15		12,351		81,445	98,455	179,900	192,250
16				97,665	94,586	192,251	192,251
17				102,305	89,947	192,252	192,252
18				107,165	85,087	192,252	192,252
19				112,255	79,997	192,252	192,252
20				117,585	74,665	192,250	192,250
21				123,170	69,080	192,250	192,250
22				129,020	63,229	192,249	192,249
23				135,150	57,101	192,251	192,251
24				141,570	50,681	192,251	192,251
25				148,295	43,957	192,252	192,252
26				155,340	36,912	192,252	192,252
27				162,715	29,534	192,249	192,249
28				170,445	21,805	192,250	192,250
29				178,490	13,709	192,199	192,199
30				53,530	5,230	58,760	58,760
31				56,585	2,688	59,273	59,273
Total	\$ 832,035	\$ 1,279,080	\$ 2,167,995	\$ 2,167,995	\$ 2,216,358	\$ 4,384,353	\$ 5,663,432

Post-it Fax Note	7671	Date	2-18	# of pages	3
To	Chris Courtright	From	Good News		
Co/Dept		Co.			
Phone #		Phone #	6-2279		
Fax #	6-3824	Fax #			

State General Fund Impact Table

	Governor		House Plan			Senate Planning Group Proposal	
	State Highway Fund	Tax Reductions ^a	State Highway Fund	Tax Reductions ^b	Revenue Transfer to SGF	State Highway Fund	Tax Reductions ^c
	Demand Transfer		Demand Transfer			Demand Transfer	
FY 2000	\$128.9	(\$12.3)	\$128.9	(\$122.5)	\$(12.9)	\$89.4	\$(15.8)
FY 2001	149.4	(40.2)	149.4	(119.6)	(40.8)	90.9	(19.8)
FY 2002	155.3	(100.5)	155.3	(182.2)	(101.1)	152.0	(20.6)
FY 2003	161.5	(166.3)	161.5	(304.9)	(166.9)	183.9	(21.5)
FY 2004	168.0	(241.0)	168.0	(316.9)	(241.6)	190.7	(22.5)
FY 2005	174.7	(296.0)	174.7	(328.2)	(296.6)	218.4	(23.6)
FY 2006	181.7	(318.0)	181.7	(340.1)	(318.6)	245.3	(24.8)
FY 2007	189.0	(339.8)	189.0	(352.4)	(340.4)	264.6	(26.0)
Subtotal	\$1,308.5	(\$1,514.1)	\$1,308.5	(\$2,066.8)	\$(1,518.9)	\$1,435.2	\$(174.6)
FY 2008	196.5	(363.1)	196.5	(365.2)	(363.7)	275.6	(27.4)
FY 2009	204.4	(388.1)	204.4	(378.7)	(388.7)	286.2	(28.9)
FY 2010	212.6	(414.8)	212.6	(392.4)	(415.4)	297.6	(30.5)
Total	\$1,922.0	(\$2,680.1)	\$1,922.0	(\$3,203.1)	\$(2,686.7)	\$2,294.6	\$(261.4)

- a) Governor's — Tax reductions include: adoption, machinery and equipment, grain, motor vehicles, and severance.
- b) House Tax Reductions: Food sales tax on groceries exemption and certain business tax exemptions and reduction.
- c) Senate Proposals — Tax reductions include: adoption, machinery and equipment, and Corbin/Lee - prospective only (income tax credit on certain oil wells).

Prepared at the request and Direction of Senator Dave Kerr
 Kansas Legislative Research Department
 March 15, 1999

Senate Assessment & Taxation
 3-14-99
 Attachment 2

Senate Comprehensive Transportation Option

	Senate Planning Group Proposal	
Length of the Plan:	10 Years	
Additional System Enhancements:	\$100.0	
Program:		
System Enhancements	\$1,100.0	
Special City and County Highway Fund:		
Distribution Percent	35.15%	
Average Dollar Amount (in millions)	\$160.0	
Major Modifications and Priority Bridge:		
FY 2000 - 2007 Average	\$399.0	
FY 2008 - 2009	Match federal aid only	
Sales Tax Demand Transfer:		
FY 2000	Capped at 1.7%	\$89.4
FY 2001	Capped at 1.7%	90.9
FY 2002	9.788%	152.0
FY 2003	11.384%	183.9
FY 2004	11.350%	190.7
FY 2005	12.500%	218.4
FY 2006	13.500%	245.3
FY 2007	14.000%	264.6
FY 2008	14.000%	275.1
FY 2009	14.000%	286.2
Motor Fuel Tax Increase:	Yes	
Amount	\$0.05	
Effective Fiscal Year	FY 2000	
Assumes Inflationary Increase in Receipts	No	
Assumed Annual Rate of Increase	Flat	
Registration Fees:	Yes	
FY 2000 - January 1, 2000	15.0%	
FY 2004 - January 1, 2004	5.0%	
Revenue Transfer:	Yes	
	All Demand Transfers	
Bonds:		
Principal	\$990.0	
Issue Costs	(15.0)	
Interest Earnings	31.0	
Net	<u>\$1,006.0</u>	
Debt Service in Period	533.0	
Proceeds Available	\$473.0	
Life	20 years	
Ending Balance Low Point:		
Amount	\$2,173	
Fiscal Year	FY 2009	

Prepared at the Request and Direction of Senator Dave Kerr
 Kansas Legislative Research Department
 March 15, 1999

Senate Planning Group Proposal Comprehensive Transportation Plan

- 10 year plan
- \$100 million in system enhancements above the Governor
- Same amount for major modifications and priority bridges as the Governor
- \$990 million in 20-year bonds
- \$0.05 motor fuel tax increase effective FY 2000
- Registration fee increase of 15% on January 1, 2000 and another 5.0% on January 1, 2004
- Increase in the State General Fund demand transfer to the State Highway Fund; capping the transfer in FY 2000 and FY 2001 and then increasing to a maximum of 14.0% in FY 2007
- State General Fund Profile assumes:
 - Tax Reductions - adoption, machinery and equipment, and Corbin/Lee income tax credit for oil wells - prospective
 - Demand transfers are treated as a revenue transfer
 - Additional State General Fund expenditures above the Governor in FY 2000 for:
 - Base state aid per pupil (\$9.0 million-\$15 per pupil)
 - In-service education (\$1.0 million)
 - Juvenile Justice Authority (\$10.0 million)
 - Foster care support (\$5.0 million)
 - Additional faculty salaries (\$1.0 million)

Prepared at the Request and Direction of Senator Dave Kerr
Kansas Legislative Research Department
March 11, 1999

Brief Description of Information
 10-year Comparison
Additional System Enhancements
 Potential additional System Enhancements
 FY 2008-2010 \$ 100
 This is outside of the 10-year program

Program
System Enhancements
 Total \$ 1,100

Special City & County HF
 Distribution % 35.15%
 Average \$160 million

Major Modifications & Priority Bridge
 FY 00-07 average \$ 399
 FY 08-09 match federal aid only

Revenues/Resources
Sales Tax Transfer
 FY 2000 - 1.7% cap \$ 89,394
 FY 2001 - 1.7% cap \$ 90,913
 FY 2002 9.788% \$ 152,031
 FY 2003 11.384% \$ 183,894
 FY 2004 11.350% \$ 180,678
 FY 2005 12.500% \$ 218,398
 FY 2006 13.500% \$ 245,305
 FY 2007 14.000% \$ 264,568
 FY 2008 14.000% \$ 275,148
 FY 2009 14.000% \$ 286,154

Motor Fuel Tax
 FY 2000 \$ 0.05

Registration Fees
 FY 2000 Jan 1 15.0%
 FY 2004 Jan 1 5.0%

Revenue Transfer
Bonds
 Principal \$ 990
 Issue Costs (15)
 Interest Earnings 31
 Net \$ 1,006
 Debt Service in period 533
 Proceeds Available \$ 474
 Life 20

Program Totals
Maintenance:
 Routine Maintenance \$ 123 \$ 1,228
 Substantial Maintenance 206 2,052
Construction:
 Major Modification & Priority Bridges 391 3,910
 System Enhancement (FY 2000 - FY 2010) 100 1,000
Modes:
 Aviation 3 30
 Public Transit (Includes both State & Federal Funds) 10 100
 Rail (Includes both State & Federal Funds) 3 32
Local:
 Special City and County Highway Fund 160 1,600
 Local Federal Aid Projects (Includes Local Match) 80 800
 Local Partnership (Includes Local Match) 25 249
 KLINK Maintenance Payments 3 34
 Management and Other 73 730
Transfers Out 49 489
Debt Service (Existing CHP debt) 85 853

Revenue Enhancements
 Motor Fuel Tax \$ - \$ - \$ 91 \$ 905 \$ 91 \$ 905
 Registration Fees - - 22 225 22 225
 SGF (Sales Tax Transfer) increase to current statute 35 347 35 347 - -
 SGF (Sales Tax Transfer) increase above current statute 40 385 72 724 33 329
 Retail Sales and Compensating Tax (Direct) - - - - - -
 Other Revenues - - - - - -
 Interest on Funds 27 287 25 255 (1) (13)
Subtotal Revenue Enhancements \$ 101 \$ 1,009 \$ 246 \$ 2,456 \$ 145 \$ 1,448

Bonds (net of issue costs) \$ 214 \$ 2,135 \$ 98 \$ 975 \$ (116) \$ (1,180)
Interest on Bond Proceeds 6 82 3 31 (3) (30)
Net from Bond Sales \$ 220 \$ 2,197 \$ 101 \$ 1,006 \$ (119) \$ (1,180)

Total Enhanced Resources \$ 321 \$ 3,206 \$ 346 \$ 3,462 \$ 26 \$ 256
Increase in Debt Service 79 786 53 533 (25) (254)
Net Resources for Program \$ 242 \$ 2,420 \$ 293 \$ 2,929 \$ 51 \$ 510

Ending Balance Shortfall \$ 321 \$ (2) \$ (324)
\$ 2,741 \$ 2,927 \$ 186

Legislative Research - Request March 11 #1 10-year					
Governor's Comprehensive Transportation Program		Transportation Program		Difference	
FY 00-09 Avg	FY 00-09 Total	FY 00-09 Avg	FY 00-09 Total	FY 00-09 Avg	FY 00-09 Total
\$ 123	\$ 1,228	\$ 123	\$ 1,228	\$ -	\$ -
206	2,052	206	2,052	-	-
391	3,910	391	3,910	-	-
100	1,000	110	1,100	10	100
3	30	3	30	-	-
10	100	10	100	-	-
3	32	3	32	-	-
160	1,600	160	1,600	-	-
80	800	80	800	-	-
25	249	25	249	-	-
3	34	3	34	-	-
73	730	73	730	-	-
49	489	49	489	-	-
85	853	85	853	-	-
\$ 1,311	13,115	\$ 1,321	13,215	\$ 10	100
\$ -	\$ -	\$ 91	\$ 905	\$ 91	\$ 905
-	-	22	225	22	225
35	347	35	347	-	-
40	385	72	724	33	329
-	-	-	-	-	-
-	-	-	-	-	-
27	287	25	255	(1)	(13)
\$ 101	\$ 1,009	\$ 246	\$ 2,456	\$ 145	\$ 1,448
\$ 214	\$ 2,135	\$ 98	\$ 975	\$ (116)	\$ (1,180)
6	82	3	31	(3)	(30)
\$ 220	\$ 2,197	\$ 101	\$ 1,006	\$ (119)	\$ (1,180)
\$ 321	\$ 3,206	\$ 346	\$ 3,462	\$ 26	\$ 256
79	786	53	533	(25)	(254)
\$ 242	\$ 2,420	\$ 293	\$ 2,929	\$ 51	\$ 510
	\$ 321		\$ (2)		\$ (324)
\$ 2,741		\$ 2,927		\$ 186	

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Kansas Department of Transportation All Agency Funds (\$000)				Legislative Research - Request March 11 #1 10-year											Total	Average
	1999	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	FY 03-09	FY 00-09	
BEGINNING BALANCE	688,185	581,949	475,943	895,395	1,188,264	1,062,649	939,208	787,933	665,881	558,045	420,913	280,178	246,298	475,943	47,594	
Current Resources																
Current Revenues:																
State Revenues																
Motor Fuel Taxes	317,873	324,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	3,315,000	331,500	
SGF (Sales Tax) Transfer	85,839	87,699	89,394	90,913	92,595	94,216	95,884	97,542	99,249	100,986	102,763	104,551	106,391	988,063	96,806	
Sales & Compensating Tax (1/4 cent)	82,367	86,022	89,247	92,817	96,530	100,391	104,407	108,583	112,926	117,443	122,141	127,027	132,108	1,071,513	107,151	
Registration Fees	117,280	126,000	127,000	128,000	129,000	130,000	131,000	132,000	133,000	134,000	135,000	136,000	137,000	1,315,000	131,500	
Interest (current program)	50,637	41,838	15,912	10,949	7,597	4,543	3,057	3,084	3,110	3,138	3,142	3,144	3,149	57,878	5,788	
Miscellaneous Revenues	10,935	15,460	10,857	10,183	10,549	10,928	11,358	11,831	12,262	12,760	13,244	13,616	13,751	117,808	11,761	
Statutory Transfers In	14,861	14,586	14,753	14,948	15,148	15,351	15,557	15,766	15,989	16,197	16,418	16,643	16,872	158,762	15,876	
Subtotal	690,033	699,285	678,653	679,321	682,910	686,829	692,743	700,309	708,047	716,024	724,198	732,481	740,757	7,001,622	700,162	
Federal & Local Receipts																
Federal Aid Reimbursement	195,034	315,405	275,892	282,180	269,600	274,724	270,853	275,144	278,473	284,067	287,587	292,984	293,455	2,812,783	281,278	
Local Receipts	26,624	20,103	20,654	20,978	20,546	19,708	19,277	19,474	19,652	19,829	20,028	20,026	20,026	200,170	20,017	
Subtotal Fed & Local	221,658	335,504	296,546	303,158	290,146	294,432	290,130	294,618	298,125	303,896	307,613	312,990	313,481	3,012,953	301,295	
Total Current Revenues	901,691	1,031,789	975,209	982,479	993,356	981,362	992,873	994,924	1,007,172	1,019,920	1,031,811	1,045,470	1,054,238	10,014,575	1,001,457	
Resource Enhancements:																
State Revenues																
Motor Fuel Taxes	-	-	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	905,000	90,500	
Sales & Compensating Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SGF Transfer increase to 7.825%	-	-	(44)	(89)	25,895	29,004	32,284	35,732	39,356	43,183	47,162	51,301	55,767	303,815	30,381	
SGF Transfer increase from 7.828%	-	-	-	-	33,550	69,673	82,529	85,123	100,898	120,415	125,232	130,241	135,451	724,491	72,448	
Registration Fees	-	-	9,525	19,220	19,350	19,500	22,925	26,400	26,600	26,800	27,000	27,200	27,400	224,500	22,450	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest (increase)	-	-	25,079	46,302	43,829	41,719	36,789	30,431	24,718	17,810	11,542	7,705	7,739	295,723	29,572	
Subtotal	-	-	125,060	155,912	213,111	241,397	245,027	268,186	267,673	286,489	301,438	307,507	316,857	2,443,499	244,350	
Board Proceeds	-	-	492,500	482,650	-	-	-	-	-	-	-	-	-	975,150	97,515	
Total Resource Enhancements	-	-	617,560	638,562	213,111	241,397	245,027	268,186	267,673	286,489	301,438	307,507	316,857	3,418,649	341,865	
TOTAL RECEIPTS	901,691	1,031,789	1,592,769	1,621,041	1,205,467	1,222,759	1,227,900	1,263,111	1,295,045	1,318,409	1,333,247	1,352,477	1,371,095	13,433,224	1,343,322	
AVAILABLE RESOURCES	1,589,876	1,613,733	2,068,711	2,486,433	2,394,734	2,285,408	2,187,105	2,051,044	1,990,930	1,876,454	1,754,160	1,632,655	1,617,392	13,809,183	1,390,917	
	1999	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total	Average	
														FY 00-09	FY 00-09	

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Legislative Research - Request March 11 #1 10-year

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-09	Average FY 00-09
EXPENDITURES:															
State Highway Maintenance															
Routine Maintenance:															
Substantial Maintenance	100,075	99,983	107,315	110,213	113,188	116,353	119,732	123,444	127,384	131,593	136,072	140,835	145,764	1,226,149	122,615
Total	132,582	144,665	190,705	179,871	165,018	191,121	197,208	204,048	214,238	223,380	233,064	243,280	253,995	2,081,731	208,173
Total	232,667	244,848	298,020	289,883	258,208	307,480	316,840	327,492	341,630	354,978	369,136	384,115	399,759	3,287,861	326,788
State Highway Construction															
Major Modifications & Priority Bridge	288,331	428,165	367,849	378,041	392,651	377,576	389,955	403,634	413,307	433,703	400,867	353,078	317,075	3,801,458	390,146
Systems Enhancements	105,944	40,326	42,478	91,202	111,508	118,009	122,440	108,655	95,088	108,245	144,490	84,790	49,632	1,024,905	102,491
Total	394,275	468,491	410,127	470,243	494,159	493,585	512,395	510,288	508,395	541,948	545,357	437,868	366,707	4,826,363	492,636
Modes	5.107	6.181	15.454	18.014	18.325	18.733	17.071	17.548	17.929	18.324	18.430	16.405	18.538	189.233	18.821
Local Assistance															
Special City & County Highway Fund	138,476	141,761	158,093	159,687	159,886	160,069	160,275	160,484	160,697	160,914	161,155	161,360	161,568	1,600,561	180,056
Local Federal Aid Projects	64,848	77,250	82,230	94,750	82,250	78,750	77,250	77,250	77,250	77,250	77,250	77,250	77,250	792,600	79,250
Partnership Programs	17,143	18,160	19,555	21,735	22,799	23,572	24,418	25,216	26,002	27,609	28,812	29,250	29,707	248,357	24,937
KLINK Maintenance Payments	2,240	2,240	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	33,600	3,360
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	223,505	239,431	263,258	289,513	268,275	288,751	285,302	266,310	267,708	289,133	270,557	271,220	271,905	2,676,028	287,603
Management and other	55,622	63,748	62,246	78,800	87,384	70,665	77,146	71,730	73,873	78,147	75,723	78,090	80,540	729,804	72,980
Transfers Out	59,888	41,388	47,121	43,558	44,735	45,987	47,321	48,788	50,349	52,011	53,779	55,681	57,610	489,312	48,831
Debt Service - CTP Bonds	57,054	73,747	85,340	85,333	85,314	85,321	85,286	85,290	85,258	85,225	85,233	85,222	85,158	852,821	85,282
Debt Service - CTP Bonds	-	-	23,750	47,025	57,985	57,879	57,714	57,712	57,743	57,776	57,769	57,778	57,843	532,830	53,283
TOTAL EXPENDITURES	1,007,927	1,137,798	1,203,318	1,298,170	1,332,035	1,348,260	1,378,175	1,385,159	1,402,835	1,455,541	1,473,982	1,388,358	1,335,608	13,662,870	1,366,287
ENDBG BALANCE	591,949	475,943	895,385	1,188,288	1,082,849	939,208	787,933	685,855	558,045	420,913	280,178	248,289	281,884	246,298	24,830
Required Ending Balance	90,159	112,205	127,809	133,777	134,571	134,961	134,932	144,773	228,912	382,804	218,275	244,123	238,685	244,123	
Ending Balance over required	489,790	363,738	737,589	1,054,490	928,278	604,246	653,001	521,112	329,134	58,109	63,903	2,173	75,215	2,173	
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-09	Average FY 00-09

NOTE: Required Ending Balances reflected.

1. Amounts required to satisfy bond debt service requirements
2. Funds allocated by statute for distribution to specific programs
3. A calculation of a necessary reserve to complete CTP projects
4. An amount necessary to provide for orderly payment of agency bills.

Bond Assumptions:

Interest Rate: 4.75%
Term: 20 years
Issue Costs: 1.50%

Inflation Assumptions

Agency operations: CPI-U as forecast by DRI-McGraw Hill
Construction Costs: CPI-U plus 1.0%

Note: These numbers are estimates of "cash flow." For example, a construction project financed with bond proceeds is shown as an expenditure when project payments are made. Debt Service is also shown as an expenditure when payments are made. The Kansas "budget basis" would not reflect the project expenditures because the Kansas "budget basis" reflects only debt service. In addition, the "budget basis" and "program expenditures" reflect the full cost of a project as an expenditure when the construction contract is awarded. Projects, such as system enhancement projects, which are let in the FY 2000 through FY 2007 period will be shown as "program expenditure" but will have cash payouts after the period.

KANSAS DEPARTMENT OF TRANSPORTATION
Legislative Research - Request March 11 #1 10-year

Principal Issued \$ 990,000
 Interest Rate 4.75%
 Term 20

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(In Thousands)

FY Ending 6/30	Current Debt			Additional Bonds	New Debt Principal	Service Interest	Total	Combined Debt Service
	Out- Standing	Debt Service						
99	\$ 832,035	\$ 73,747						73,747
00		85,340	500,000	-	23,750	23,750	109,090	109,090
1		85,333	490,000	-	47,025	47,025	132,358	132,358
2		85,314	-	10,660	47,025	57,685	142,999	142,999
3		85,321	-	11,160	46,519	57,679	142,999	142,999
4		85,286	-	11,725	45,989	57,714	142,999	142,999
5		85,290	-	12,280	45,432	57,712	143,002	143,002
6		85,256	-	12,895	44,848	57,743	143,000	143,000
7		85,225	-	13,540	44,236	57,776	143,001	143,001
8		85,233	-	14,175	43,593	57,768	143,001	143,001
9		85,222	-	14,860	42,919	57,779	143,001	143,001
10		85,156	-	15,630	42,213	57,843	143,000	143,000 ✓
11		85,155	-	16,375	41,471	57,846	143,001	143,001 ✓
12		85,204	-	17,105	40,693	57,798	143,002	143,002
13		60,466	-	42,655	39,881	82,536	143,002	143,002
14		24,181	-	80,965	37,855	118,820	143,000	143,000
15		12,351	-	96,640	34,009	130,649	142,999	142,999
16			-	113,580	29,418	142,998	142,998	142,998
17			-	118,975	24,023	142,998	142,998	142,998
18			-	124,630	18,372	143,002	143,002	143,002
19			-	130,550	12,452	143,002	143,002	143,002
20			-	131,600	6,251	137,851	137,851	137,851 ✓
21			-	-	-	-	-	-
22			-	-	-	-	-	-
23			-	-	-	-	-	-
24			-	-	-	-	-	-
25			-	-	-	-	-	-
26			-	-	-	-	-	-
27			-	-	-	-	-	-
28			-	-	-	-	-	-
29			-	-	-	-	-	-
30			-	-	-	-	-	-
31			-	-	-	-	-	-
Total	\$ 832,035	\$ 1,279,080	\$ 990,000	\$ 990,000	\$ 757,974	\$ 1,747,974	\$ 3,027,054	

State General Fund Profile FY 1998 - FY 2004

Governor's Recommendation Except
State Highway Fund Demand Transfer Capped FY 00 and FY 01 Then Increases
No Governor's Recommended Car Tax Reduction
Tax Reductions: Machinery & Equip.; Adoption; Corbin/Lee on Oil Wells
Additional Funding for JJA; Foster Care; Faculty Salaries; Education
All Demand Transfers as a Revenue Transfer

	Actual FY 1998	Increase	Revised FY 1999	Increase	Projected FY 2000	Increase	Projected FY 2001	Increase	Projected FY 2002	Increase	Projected FY 2003	Increase	Projected FY 2004	Increase
Beginning Balance(a)	\$528.6		\$756.7		\$611.8		\$435.9		\$351.7		\$323.2		\$331.5	
RECEIPTS:(b)	4,027.2	9.3%	4,075.7	1.2%	4,230.6	3.8%	4,401.5	4.0%	4,582.1	4.1%	4,779.6	4.3%	4,985.1	4.3%
Tobacco Settlement	0.0	0.0	4.0	4.0	10.6	6.6	11.4	0.8	13.8	2.4	14.0	0.2	11.6	(2.4)
Adoption Tax Credit	0.0	0.0	0.0	0.0	(1.3)	(1.3)	(1.3)	0.0	(1.3)	0.0	(1.3)	0.0	(1.3)	0.0
Machinery and Equipment Credit to 20.0 Percent	0.0	0.0	0.0	0.0	(6.5)	(6.5)	(10.5)	(4.0)	(11.3)	(0.8)	(12.2)	(0.9)	(13.2)	(1.0)
Income Tax Credit for Oil Wells - Corbin/Lee - Prospective ONLY	0.0	0.0	0.0	0.0	(8.0)	(8.0)	(8.0)	0.0	(8.0)	0.0	(8.0)	0.0	(8.0)	0.0
Revenue Transfer for Demand Transfers	0.0	0.0	0.0	0.0	(229.0)	(229.0)	(234.8)	(5.8)	(300.6)	(65.8)	(338.3)	(37.7)	(351.0)	(12.7)
Other Revenue Adjustments	0.0	0.0	(1.6)	(1.6)	4.4	6.0	0.1	(4.3)	1.6	1.5	0.0	(1.6)	0.0	0.0
Adjusted Receipts	4,027.2	9.3%	4,078.1	50.9	4,000.8	(77.3)	4,158.4	157.6	4,276.3	117.9	4,433.8	157.5	4,623.2	189.4
				1.3%		-1.9%		3.9%		2.8%		3.7%		4.3%
EXPENDITURES:														
Base General and Supplemental School Aid (c)	1,384.0	1.5%	1,419.1	2.5%	1,436.4	1.2%	1,419.9	-1.1%	1,400.6	-1.4%	1,380.0	-1.5%	1,358.7	-1.5%
Additional Base Aid (\$15.00 in FY 2000)	0.0	0.0	0.0	0.0	9.0	9.0	9.0	0.0	9.0	0.0	9.1	0.1	9.1	0.0
Approved Property Tax Relief:														
Approved Mill Levy Reduction (35/20 mills; \$20,000 homestead)	108.7	108.7	266.1	157.4	321.3	55.2	331.6	10.3	342.2	10.6	353.1	10.9	364.3	11.2
Approved Motor Vehicle Property Tax Relief	46.3	24.7	75.5	29.2	103.8	28.3	125.9	22.1	131.8	5.9	137.1	5.3	142.6	5.5
Subtotal - Approved Property Tax Relief	155.0	133.4	341.6	186.6	425.1	83.5	457.5	32.4	474.0	16.5	490.2	16.2	506.9	16.7
Subtotal - Approved General and Supplemental School Aid (c)	1,539.0	153.1	1,760.7	221.7	1,870.5	109.8	1,886.4	15.9	1,883.6	(2.8)	1,879.3	(4.3)	1,874.7	(4.6)
		11.2%		14.4%		6.2%		0.9%		-0.1%		-0.2%		-0.2%
Demand Transfers: (e)	205.1	5.4	219.6	14.5	0.0	(219.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional In-Service Education Support	0.0	0.0	0.0	0.0	1.0	1.0	1.0	0.0	1.0	0.0	1.0	0.0	1.0	0.0
Additional Juvenile Justice Authority Support	0.0	0.0	0.0	0.0	10.0	10.0	10.0	0.0	10.0	0.0	10.0	0.0	10.0	0.0
Additional Foster Care Support	0.0	0.0	0.0	0.0	5.0	5.0	5.0	0.0	5.0	0.0	5.0	0.0	5.0	0.0
Additional Faculty Salaries	0.0	0.0	0.0	0.0	1.0	1.0	1.0	0.0	1.0	0.0	1.0	0.0	1.0	0.0
All Other Expenditures(d)	2,055.0	103.6	2,242.7	187.7	2,289.2	46.5	2,289.2	0.0	2,339.2	50.0	2,404.2	65.0	2,529.2	125.0
TOTAL All Other Expenditures	2,055.0	103.6	2,242.7	187.7	2,306.2	63.5	2,306.2	0.0	2,356.2	50.0	2,421.2	65.0	2,546.2	125.0
		5.3%		9.1%		2.8%		0.0%		2.2%		2.8%		5.2%
Available for Other Purposes(g)	0.0	0.0	0.0	0.0	0.0	0.0	50.0	50.0	65.0	15.0	125.0	60.0	189.0	64.0
TOTAL Expenditures	3,799.1	263.3	4,223.0	423.9	4,176.7	(46.3)	4,242.6	65.9	4,304.8	62.2	4,425.5	120.7	4,609.9	184.4
Percent Increase		7.4%		11.2%		-1.1%		1.6%		1.5%		2.8%		4.2%
Beginning Balance(f)	758.7		611.8		435.9		351.7		323.2	55.7	331.5	36.8	344.8	5.0
Percent of Expenditures	19.9%		14.5%		10.4%		8.3%		7.5%		7.5%		7.5%	
Receipts in Excess of Expenditures	228.1		(144.9)		(175.9)		(84.2)		(28.5)		8.3		13.3	

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FOOTNOTES:

) Includes released encumbrances in FY 1998 and FY 1999.

b) Receipts are actual for FY 1998. Receipts for FY 1999 and FY 2000 reflect the November 5, 1998 consensus revenue estimates as adjusted by the Governor.

The adjustments include the tobacco settlement and various tax reductions (business and machinery - 20 percent; adoption; Corbin/Lee oil income tax credit - prospective only). No Governor's car tax proposal. Additional revenue transfer to the State Highway Fund. The Governor also makes several other minor adjustments in receipts (Project 2000 in the Department of Revenue, Lottery, oil and gas well plugging transfer in the KCC, Winfield Veteran's Home, and a transfer to the State Emergency Fund).

Beginning in FY 2000 a revenue transfer is assumed for all demand transfers.

The projections for FYs 2001 - 2004 are not consensus estimates of receipts but are based on a growth rate of 4.0 percent in FY 2001; 4.1 percent in FY 2002; 4.3 percent in FY 2003; and 4.3 percent in FY 2004.

c) Base estimate of general and supplemental school aid payments in FY 1998 (actual), estimates for FY 1999 (revised), and FY 2001 - FY 2002 were made by the Department of Education, Division of the Budget, and the Legislative Research Department. For FY 2000 the Governor's recommendation reflects an increase in the base per pupil amount of \$35 from \$3,720 to \$3,755, an additional correlation weighting adjustment from 1,750 FTE students to 1,725 FTE students, and the reduction in the uniform property tax rate from 27 to 20 mills and a homestead exemption of \$20,000.

The FY 2000 - FY 2004 estimates assume a uniform school mill levy of 20 mills and a \$20,000 homestead

and a base aid per pupil amount of \$3,755. FY 2003 and FY 2004 are estimated by the Legislative Research Department.

An additional base increase in FY 2000 of \$15.00 in the base aid amount above the Governor, or a total of \$3,770.

d) FY 1998 actual all other expenditures. The FY 1999 and FY 2000 amounts are as recommended by the Governor, plus the following adjustments.

Additional amounts in FY 2000 for in-service education (\$1.0 million); Juvenile Justice Authority (\$10.0 million); foster care (\$5.0 million); and faculty salaries (\$1.0 million).

For FY 2001 - FY 2003 all other expenditures generally reflect the prior year's all other expenditures, plus the prior year's amount that is available for other purposes.

e) Demand transfers for the School District Capital Improvement Fund, Water Plan Fund, State Fair and the Local Ad Valorem Tax Reduction Fund (FY 1999 - FY 2004) all reflect current law.

The County-City Revenue Sharing Fund and the City-County Highway Fund for FY 1999 reflect a cap of 2.4 percent; FY 2000 a cap of 1.75 percent; FY 2001 the amounts are frozen;

FY 2002 a cap of 0.6 percent; and for FY 2003 and FY 2004 a cap of 2.6 percent. For the State Highway Fund the FY 2000 and FY 2001 the amounts reflect a capped increase of 1.7 percent; the rate increases to 9.788 percent in FY 2002; 11.384 percent in FY 2003; and 11.350 percent in FY 2004.

Beginning in FY 2000, all demand transfers are treated as revenue transfers.

f) Current law minimum ending balance requirement is 7.5 percent of expenditures.

g) Available for other purposes such as additional expenditures or tax reductions.

Prepared at the Request and Direction of Senator Dave Kerr
Kansas Legislative Research Department
March 11, 1999

FOOTNOTES:

) Includes released encumbrances in FY 1998 and FY 1999.

b) Receipts are actual for FY 1998. Receipts for FY 1999 and FY 2000 reflect the November 5, 1998 consensus revenue estimates as adjusted by the Governor.

The adjustments include the tobacco settlement and various tax reductions (business and machinery - 20 percent; adoption; Corbin/Lee oil income tax credit - prospective only). No Governor's car tax proposal. Additional revenue transfer to the State Highway Fund. The Governor also makes several other minor adjustments in receipts (Project 2000 in the Department of Revenue, Lottery, oil and gas well plugging transfer in the KCC, Winfield Veteran's Home, and a transfer to the State Emergency Fund). Beginning in FY 2000 a revenue transfer is assumed for all demand transfers.

The projections for FYs 2001 - 2004 are not consensus estimates of receipts but are based on a growth rate of 4.0 percent in FY 2001; 4.1 percent in FY 2002; 4.3 percent in FY 2003; and 4.3 percent in FY 2004.

c) Base estimate of general and supplemental school aid payments in FY 1998 (actual), estimates for FY 1999 (revised), and FY 2001 - FY 2002 were made by the Department of Education, Division of the Budget, and the Legislative Research Department. For FY 2000 the Governor's recommendation reflects an increase in the base per pupil amount of \$35 from \$3,720 to \$3,755, an additional correlation weighting adjustment from 1,750 FTE students to 1,725 FTE students, and the reduction in the uniform property tax rate from 27 to 20 mills and a homestead exemption of \$20,000.

The FY 2000 - FY 2004 estimates assume a uniform school mill levy of 20 mills and a \$20,000 homestead and a base aid per pupil amount of \$3,755. FY 2003 and FY 2004 are estimated by the Legislative Research Department. An additional base increase in FY 2000 of \$15.00 in the base aid amount above the Governor, or a total of \$3,770.

d) FY 1998 actual all other expenditures. The FY 1999 and FY 2000 amounts are as recommended by the Governor, plus the following adjustments.

Additional amounts in FY 2000 for in-service education (\$1.0 million); Juvenile Justice Authority (\$10.0 million); foster care (\$5.0 million); and faculty salaries (\$1.0 million). For FY 2001 - FY 2003 all other expenditures generally reflect the prior year's all other expenditures, plus the prior year's amount that is available for other purposes.

e) Demand transfers for the School District Capital Improvement Fund, Water Plan Fund, State Fair and the Local Ad Valorem Tax Reduction Fund (FY 1999 - FY 2004) all reflect current law.

The County-City Revenue Sharing Fund and the City-County Highway Fund for FY 1999 reflect a cap of 2.4 percent; FY 2000 a cap of 1.75 percent; FY 2001 the amounts are frozen; FY 2002 a cap of 0.6 percent; and for FY 2003 and FY 2004 a cap of 2.6 percent. For the State Highway Fund the FY 2000 and FY 2001 the amounts reflect a capped increase of 1.7 percent; the rate increases to 9.788 percent in FY 2002; 11.384 percent in FY 2003; and 11.350 percent in FY 2004.

Beginning in FY 2000, all demand transfers are treated as revenue transfers.

f) Current law minimum ending balance requirement is 7.5 percent of expenditures.

g) Available for other purposes such as additional expenditures or tax reductions.

Prepared at the Request and Direction of Senator Dave Kerr
Kansas Legislative Research Department
March 11, 1999

State of Kansas
Senate Chamber

JIM BARONE
STATE SENATOR, THIRTEENTH DISTRICT
CRAWFORD, CHEROKEE AND BOURBON COUNTIES

HOME ADDRESS:
611 W. LEIGHTON
FRONTENAC, KANSAS 66763
(316) 231-4900
HOME FAX (316) 231-6611



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Democratic Agenda Chairman

ROOM 504-N, STATE CAPITOL
TOPEKA, KANSAS 66612-1504
(785) 296-7370
1-800-432-3924

Testimony of Senator Jim Barone in support of House Bill 2071
before the Senate Tax Committee, Tuesday, March 16, 1999

Madam Chairman and Members of the Committee:

Thank you very much for allowing me the privilege of appearing before you. I applaud your efforts.

I have always been a strong supporter of a modern infrastructure that supports and encourages economic development and economic growth for all Kansans. When you grew up in Southeast Kansas and presently live there, you gain an appreciation for the benefits a comprehensive transportation plan can provide to the citizens of the area. I have previously testified that I believe the vast majority of all Kansans feel the same way and they are supportive of a meaningful and adequate comprehensive transportation program. In fact, I have asked the question, "Do you support a comprehensive transportation program?" Many organizations, individual businesses and citizens alike have always responded with an overwhelming yes to this question. I have heard from school boards, cities and counties, chambers of commerce, businessmen and women, laborers, craftsmen and executives, homemakers, educators and bus drivers, as well as many associations, and I can assure you the support is there.

In fact, here are a couple of quotes: "If we are to maintain and enhance the general health of the Kansas economy, we must have a transportation system in place that is second to none." This is from a petition signed by hundreds of Southeast Kansans. Here's another from a convention and visitors bureau, "We must continue to invest in the infrastructure of Kansas to further enhance the economic growth of our great state." Here's one from a non-profit youth home: "Because we are a social service agency, we recognize the transportation system is a link to meeting the basic needs and the lack of it can be detrimental. . ." I could provide many more, but I believe this cross section of comments answers my basic questions on support for a program.

Further, I previously testified that we should ask our constituents if they are willing to pay for it. Again I believe the answer is a resounding yes. Here is a quote from an association that seems to say it all: "We support a funding package that is broad-based with a mix of bonding, motor fuel tax, and other user fees. To rob revenues from elsewhere in the state is not a good choice. . ." Virtually everyone I talked to or heard from shared the philosophy that we want a comprehensive transportation program and we are willing to pay for it. In fact, I believe the people of Kansas are willing to raise additional revenues, over and above those included in this plan, in order to make the transportation funding more self-sufficient and minimize the General Fund impact.

In closing, let me say clearly so there is no doubt in anyone's mind, I am speaking for myself and my constituents. However, I do believe there is bipartisan support for a comprehensive transportation plan.

Madam Chairman and Members of the Committee, thank you again for this opportunity. I'll be glad to answer any questions you may have.

(785) 296-0103 FAX

Senator Jim Barone, District Thirteen

Senate Assessment & Taxation
3-16-99
Attachment 3
E-MAIL: barone@senate.state.ks.us

COMPREHENSIVE TRANSPORTATION PROGRAM

**Presentation to Senate
Assessment and Taxation Committee
March 16, 1999**

**E. Dean Carlson
Secretary of Transportation
Kansas Department of Transportation**

*Senate Assessment + Taxation
3-16-99
Attachment H*

Current Transportation System

H-2

- **Highways**
 - Affected by age, deterioration, and travel demand
 - “Remaining life” and other calculated deficiencies are indicators of need
- **Modes (Aviation, Public Transit, Rail)**
 - Emerging recognition of the importance of other transportation modes
 - Increased demand for other transportation modes
- **Local Jurisdictions**
 - Cities and counties face increasing needs versus constrained budgets

4-3

Shoulder Deficiencies on the State System after CHP

- **2,195 miles of deficient
shoulder width**
- **3,726 miles of deficient
shoulder type**



H-H



4-5

Pavement Deficiencies on the State System after CHP

- **7,213 miles of non-Interstate pavement are beyond their “calculated life expectancy”**
- **188 miles of Interstate pavement are beyond their “calculated life expectancy”**



H-7



4-8



6-H

Bridge Deficiencies on the State System after CHP

- **303 span bridges are beyond their “calculated life expectancy”**
- **257 bridges have significantly deficient conditions**
- **344 bridges have critically deficient widths**



11-11

4-12



Bridges designed for this type vehicle



4-13



4-14



4-15

Highway Program Components

- **Preservation**
 - Substantial Maintenance projects protect the State’s investment by preserving “as-built” conditions as long as possible and extending the useful life of the roadway.
- **Modernization**
 - Major Modification road projects go beyond preservation to improve capacity and enhance safety.
 - Priority Bridge projects target the most deficient bridges for replacement or modernization.
- **Expansion**
 - The System Enhancement Program was established as a part of the CHP to substantially improve safety, relieve congestion, improve access, or enhance economic development.

4-17

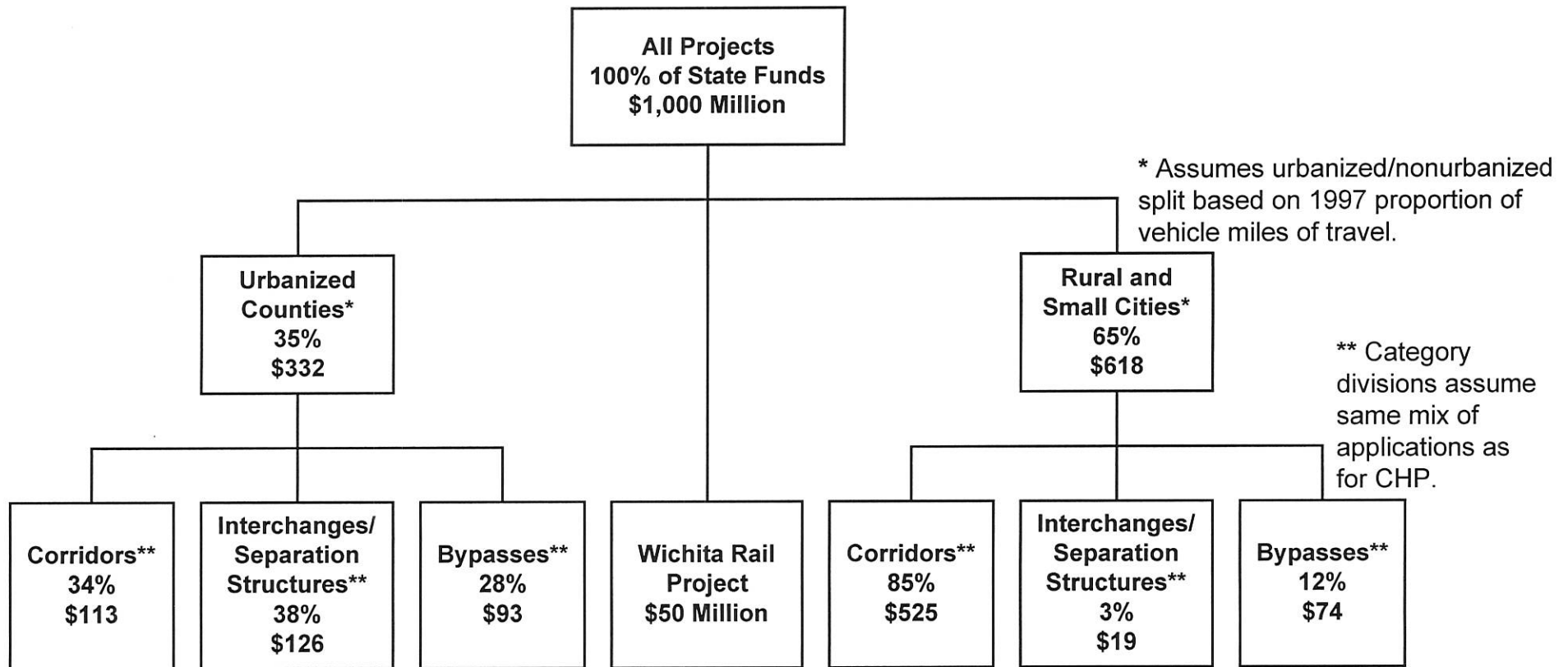
Governor's Recommended CTP FY 2000-2007

- **The Governor's CTP would improve 890 miles and 750 bridges on the State Highway System under the Major Modification and Priority Bridge categories.**
- **The Major Modification portion of the Governor's CTP includes four-laning several corridors including: US-59 from Ottawa to Lawrence; US-169 in Miami County; US-69 north of Ft. Scott; K-18 in Geary and Riley counties; US-54 southwest of Liberal; and US-81 from Concordia north to the state line.**
- **The Governor's CTP includes identification of the Wichita Rail Project due to its unique nature and importance to the region.**

Example CTP System Enhancement Fund Distribution

Assumes No Local Match to Leverage State Dollars

81-18



Interchange/Separation Structure total project costs can range from \$5 million to more than \$50 million. Road improvement total project costs can range from \$3 million per mile for two-lane reconstruction to more than \$10 million per mile for new four-lane construction.

Governor's Recommended CTP FY 2000-2007

- **Aviation Component**
 - Kansas Airport Improvement Program funded at \$3 million per year
- **Public Transit Component**
 - Increase state funding from \$1 million per year to \$5 million per year for capital and operating subsidies
- **Rail Component**
 - \$3 million state funds annually for eight years to assist Kansas shortline railroads with track rehabilitation

Local Jurisdiction Component

CTP Recommendations

- **37% increase in funding for Special City and County Highway Fund (SCCHF) compared to CHP annual average**
- **Increase payments for maintenance of City Connecting Links from \$2,000 per year per lane-mile to \$3,000 per year per lane-mile**
- **Increase annual state set-aside amounts for Local Partnership Program**
- **Continue KDOT's policy of sharing federal aid increases-- TEA-21 provided for a 45% increase to cities and counties resulting in approximately \$17 million per year additional funding for FFY 1998 - 2003 for cities and counties**

H-21

Noise Abatement Amendment

House Bill 2071 as Amended

- Amendment requires a noise study on request (\$5,000-\$10,000 per study)
- Amendment language states that KDOT “may” provide noise abatement where federal standards are exceeded
- Noise walls cost approximately \$1- 2 million per mile
- Entire Interstate (with exception of some parts west of Hays on I-70) and several other major highways exceed federal noise standards
- Substantial costs mounting into hundreds of millions could be incurred for noise consultant studies and abatement costs

House floor amendment addresses this

Summary

- **The Comprehensive Transportation Program:**
 - **Addresses all transportation modes and assists local units of government**
 - **Allows for statewide economic development**
 - **Protects investment in state infrastructure**
 - **Is necessary to address the State's transportation needs**
 - **Prevents agency fund shortfall after FY 2002**