

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on March 1, 2006 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Kathie Sparks, Kansas Legislative Research Department
Helen Pedigo, Revisor of Statutes
Alex Lovely

Conferees appearing before the committee:

Lt. Governor John Moore
Jeff Keating

Others attending:

Chairperson Brownlee introduced Lt. Governor John Moore to give a presentation and update on the Economic impact on Ft. Riley and the surrounding area with the return of the "Big Red One". Lt. Governor Moore presented written testimony. (Attachment 1) Lt. Governor Moore stated the military is an important component of the Kansas economy. The number of troops and related Department of Defense civilian jobs is equivalent to the individuals employed by the states' eight largest private sector employers combined. This creates a \$2 billion plus annual impact on the economy in Kansas. The Department of Defense sought to reduce its capacity by up to 20% in 2005.

All of the Department of Defense's recommendations regarding Kansas were accepted making all four of the major installations to be left open and expanded. The Kansas Army Ammunition Plant was recommended for closure losing 275 jobs and vacating 14,000 acres of land. A local redevelopment planning authority has been formed and approved by the Department of Defense. Also, grants have been received for redevelopment. Lt. Governor Moore feels with proper redevelopment and use, they can turn this closure into a real opportunity for Southeast Kansas. He stated that all four major installations will remain open and will expand. There will be 13,000 additional troops and related Department of Defense civilian jobs and \$500 million additional economic impact annually.

The growth at Ft. Riley is going to be substantial. An active brigade combat team will arrive in 2006 which will add 3400 troops and civilian jobs. Ft. Riley will be the 1st Infantry Division Headquarters. They will also receive a Division Support Command Headquarters along with the Attack Aviation Battalion and lastly they will establish multi-functional aviation brigade.

Ft. Riley will go from 16,429 total employees to 26,488 total employees. This total includes both military and civilian employees. The economic impact of Ft. Riley will go from \$866 million annually to \$1,225 million annually with a one time investment of \$840 Million.

It has been estimated that the total population growth in the area will approach 28,000 plus dependents of off-post secondary jobs. Ft. Riley will receive 8,071 additional troops, 2,000 related civilian positions, 13,800 dependents and 4,000 off-post secondary jobs.

The Lt. Governor stated he created a task force in December of 2004 to accommodate the troops and their dependents being assigned to Ft. Riley in the manner they deserve. The task force addressed the following: housing; education; transportation; workforce; and childcare.

The housing in the Riley, Geary, Pottawatomie, and Clay county areas will be increased to add 8,000 to 9,000 additional housing units with 5,600 new units already being started or planned. A \$32 million School Bond issue passed in Junction City allowing for a new 1,100 student middle school, a new 400 student elementary school and the expansion of two existing elementary schools. They have created 16 school districts in this area that operate as one.

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on March 1, 2006 in Room 123-S of the Capitol.

Lt. Governor Moore stated that \$58 Million has been committed to road construction or planning projects to accommodate the estimated 16,000 additional cars that will be on the roads. Childcare in the area has been researched and there are 6,500 slots available and plans to fill the gaps if there are any. In Geary County there will be a \$34 Million hospital expansion.

Lt. Governor Moore stated their greatest challenge is the workforce. The Kansas Department of Commerce and the Department of Labor are working together to recruit first on a local level, then on a regional level, and lastly on a national level. There is so much work in the Riley and the Geary county area related to Ft. Riley. The heavy construction in the area is making the construction work available all year round. The timing of having new housing availability is another challenge. They have worked with the military to find out what would come, the number of troops and when that would happen. The city officials, county officials and the school districts in this area, along with the Legislature, the Department of Labor and the Department of Commerce, and the task force, are working together on this project.

In closing, Lt. Governor Moore stated the planned expansion at Ft Riley is unprecedented. For the growth at Ft. Riley to occur the BRAC gains must be protected and Kansas must participate in the future DOD decisions processes. The Governor's Military Council (GMC) has been created to fulfill these responsibilities plus others.

Upon the conclusion of Lt. Governor Moore's presentation there was discussion with the Committee. Lt. Governor Moore stated that \$840 Million would be privately funded in the area of housing. The issue of the workforce for the military spouses was discussed. Lt. Governor Moore stated they will work with the military to make certain that they have vehicles in place for spouses and dependents that want to seek jobs. The source of the transportation funding was also discussed. Lt. Governor Moore stated the source of the funds is a combination of federal, state and local with these construction projects taking several years to complete. The Committee has concerns that Kansas will be the victim of a future BRAC cut-back. Lt. Governor Moore stated that the Governor's Military Council was in place to protect the interest of Kansas and prevent this from happening. He also stated the Governor's Strategic Military Planning Commission was formed 15 months prior to the DOD recommendations being announced. This enabled them to fully understand what was going to happen in Kansas months before the Department of Defense made their recommendations. Lt. Governor Moore feels that by having the Governor's Military Council in place and retaining the Washington based consultant firm that was used in the BRAC process and by having an executive director, Kansas will be involved in all the decision making processes in the military. The cleanup of the Parsons Ammunition Plant was also discussed. Lt. Governor Moore stated they were pursuing several options to take advantage of the opportunity.

Chairperson Brownlee introduced Jeff Keating to give his presentation on Encroachment Management Through Use of Army Compatible Use Buffers. Mr. Keating presented a power point presentation regarding Encroachment Noise Issues, Ft. Riley Encroachment, and Encroachment Conservation Issues. Mr. Keating presented a solution to the encroachment issues; which would be buffer areas around Ft. Riley in a power point presentation. ([Attachment 2](#)) Upon the conclusion of the presentation, Mr. Keating presented his written testimony. ([Attachment 3](#)) Mr. Keating stated that every year since 2002 when Kansas became eligible to receive conservation easement purchase funds under the USDA Farm and Ranch Lands Protection Program (FRPP), the state has turned back money because there were no matching funds available for the minimum 25% match. Kansas turned back \$239,087 of FRPP funds in 2003, \$735,500 in 2004 and \$824,933 in 2005. Mr. Keating stated Army Compatible Use Buffer (ACUB) funds can be used as a match for FRPP funds. Almost all lands within Ft. Riley's buffer zones are eligible for FRPP funding. Ft. Riley is projected to receive FY 2006 ACUB funding. During the six weeks that the ACUB program has been known to the public, 55 landowner inquiries have been received by the Kansas Land Trust and 14 applications submitted for additional information. Mr. Keating stated there is no good mechanism in Kansas to be able to pay for the other costs and the state could be a very good partner to help with these costs. Mr. Keating feels that when the next BRAC comes around one of the criteria they will be looking at is what installations have been able to buffer themselves from encroachment and those installations that have been able to better do this are going to fair better than installations facing encroachment issues that may restrict their training capabilities.

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on March 1, 2006 in Room 123-S of the Capitol.

Upon the conclusion of Mr. Keating's presentation and testimony, there was discussion with the Committee. Senator Emler inquired if the easements were multi-year or single-year payments and how they worked. Mr. Keating stated that in most cases they were up front lump sum payments. Senator Emler inquired if the landowner sells off the land would it still be a conservation easement. Mr. Keating stated the easement would be perpetual and would go with that land. Senator Emler asked if easements cover the noise issues or just the drainage issues. Mr. Keating stated this land is most commonly used for farm land and ranch land and the cows don't complain about the noise. Senator Emler also asked if the purchase of an easement would eliminate the ability of a developer to develop the land. Mr. Keating stated it would. Chairperson Brownlee stated it was interesting to find out about these issues and thanked Mr. Keating for coming before the Committee. In closing, Senator Emler committed he was normally very much opposed to conservation easements but would not be opposed to funding these easements and stated maybe this is something they should do now.

Meeting adjourned at 9:30 a.m. with the next meeting scheduled for March 2, 2006 at 8:30 a.m. in room 123 S.



PROTECTING AND GROWING THE MILITARY IN KANSAS

Senate Commerce Committee

March 1, 2006

Attachment 1-1

March 1, 2006

2-1

THE MILITARY IS AN IMPORTANT COMPONENT OF THE KANSAS ECONOMY

- THE NUMBER OF TROOPS AND RELATED DEPARTMENT OF DEFENSE (DOD) CIVILIAN JOBS IS EQUIVALENT TO THE INDIVIDUALS EMPLOYED BY THE STATES' EIGHT LARGEST PRIVATE SECTOR EMPLOYERS COMBINED
- \$2 BILLION PLUS ANNUAL IMPACT

DOD SOUGHT TO REDUCE ITS CAPACITY BY UP TO TWENTY PERCENT IN 2005

1-3

- BASE REALIGNMENT AND CLOSURE (BRAC) PROCESS WAS UTILIZED TO ACCOMPLISH THIS

- GOVERNOR'S STRATEGIC MILITARY PLANNING COMMISSION (GSMPC) CREATED TO REPRESENT KANSAS DURING THE BRAC PROCESS
 - CHARTERED TO PROTECT AND GROW THE MILITARY PRESENCE IN KANSAS DURING THE BRAC PROCESS
 - FORMED IN MARCH 2004
 - FIFTEEN MONTHS PRIOR TO DOD'S RECOMMENDATIONS
 - COMMISSION HAD BROAD PARTICIPATION

- \$1 MILLION BUDGET SHARED BY THE STATE AND COMMUNITIES WITH MAJOR INSTALLATIONS

BRAC PROCESS

- DOD RECOMMENDATIONS TO THE BRAC COMMISSION
 - MAY 13, 2005
- BRAC COMMISSION RECOMMENDATIONS TO THE PRESIDENT
 - SEPTEMBER 8, 2005
- BRAC RECOMMENDATIONS TO CONGRESS
 - SEPTEMBER 15, 2005
- RECOMMENDATIONS FINALIZED
 - NOVEMBER 8, 2005

ALL OF THE DOD'S RECOMMENDATIONS REGARDING KANSAS WERE ACCEPTED

- KANSAS DID EXCEPTIONALLY WELL IN THE BRAC PROCESS
- ALL FOUR MAJOR INSTALLATIONS REMAIN OPEN AND WILL EXPAND
 - \$500 MILLION ADDITIONAL ECONOMIC IMPACT ANNUALLY
 - 13,000 ADDITIONAL TROOPS AND RELATED DOD CIVILIAN JOBS
- KANSAS ARMY AMMUNITION PLANT (KAAP) RECOMMENDED FOR CLOSURE

KANSAS ARMY AMMUNITION PLANT (KAAP)

- KANSAS ARMY AMMUNITION PLANT IN LABETTE COUNTY RECOMMENDED FOR CLOSURE
 - 14,000 PLUS ACRES
- LOCAL REDEVELOPMENT PLANNING AUTHORITY (LRPA) FORMED
 - FIRST APPROVED BY DOD
- OFFICE OF ECONOMIC ADJUSTMENT (OEA) GRANT RECEIVED
 - HIRE AN LRPA EXECUTIVE DIRECTOR AND CONSULTANT TO HELP DEVELOP A REUSE PLAN
- U.S. DEPARTMENT OF LABOR GRANT ALSO RECEIVED
 - VISIONING/LEADERSHIP WORKSHOP
 - ECONOMIC DEVELOPMENT/COMMUNITY DEVELOPMENT STUDY
- **REPRESENTS AN OPPORTUNITY FOR SOUTHEAST KANSAS**

ALL KANSAS MAJOR INSTALLATIONS STRENGTHENED

- **LEAVENWORTH:** MIDWESTERN JOINT REGIONAL CORRECTIONAL FACILITY (LEVEL II) ESTABLISHED
- **FORBES:** 190TH KANSAS AIR NATIONAL GUARD (KANG) AIR REFUELING WING (ARW) RETIRES 10 OLDER MODEL KC-135E TANKERS AND RECEIVES A TOTAL OF 12 KC-135R REFUELING AIRCRAFT
- **MCCONNELL:** 22ND ARW RECEIVES 17 KC-135R TANKERS RESULTING IN 48 TANKERS
 - BECOMES THE LARGEST SUPER TANKER BASE

THREE BASE SUMMARY

PRE BRAC 2005
MILITARY & CIVILIAN EMPLOYMENT
 APPROX. 11,720
ECONOMIC IMPACT
 \$857M ANNUALLY

POST BRAC 2005
MILITARY & CIVILIAN EMPLOYMENT
 APPROX. 12,692
ECONOMIC IMPACT
 \$916M ANNUALLY

GROWTH AT FORT RILEY IS SUBSTANTIAL

- FORT RILEY GROWTH

- ACTIVATE BRIGADE COMBAT TEAM (BCT) IN 2006 = UNIT OF ACTION*
- RECEIVE 1ST INFANTRY DIVISION HEADQUARTERS
- RECEIVE DIVISION SUPPORT COMMAND HEADQUARTERS
- RECEIVE ATTACK AVIATION BATTALION
- ESTABLISH MULTI-FUNCTIONAL AVIATION BRIGADE

* ANNOUNCED PRIOR TO THEN CONFIRMED DURING BRAC PROCESS

FORT RILEY GROWTH

PRE BRAC 2005

EMPLOYMENT

- 16,429 TOTAL EMPLOYEES
 - MILITARY 11,616
 - CIVILIAN 4,813

ECONOMIC IMPACT

- \$866 MILLION ANNUALLY

POST BRAC 2005

EMPLOYMENT

- 26,488 TOTAL EMPLOYEES
 - MILITARY 19,687
 - CIVILIAN 6,801

ECONOMIC IMPACT

- \$1,225 MILLION ANNUALLY
- ONE TIME INVESTMENT OF \$840 MILLION (RCI)

TOTAL POPULATION GROWTH IN THE AREA

- TOTAL POPULATION GROWTH IN THE AREA WILL APPROACH 28,000 PLUS DEPENDENTS OF OFF-POST SECONDARY JOBS
 - 8,071 ADDITIONAL TROOPS
 - 2,000 RELATED CIVILIAN POSITIONS
 - 13,800 DEPENDENTS
 - 4,000 OFF-POST SECONDARY JOBS (MULTIPLIERS)

LIEUTENANT GOVERNOR'S ACCOMMODATION TASK FORCE

- CREATED IN DECEMBER OF 2004
 - SIX MONTHS PRIOR TO DOD'S RECOMMENDATIONS
 - PURPOSE: TO ACCOMMODATE THE TROOPS AND THEIR DEPENDENTS BEING ASSIGNED TO FORT RILEY "IN THE MANNER THEY DESERVE"
 - TASK FORCE HAD BROAD PARTICIPATION
 - FIVE AREAS ADDRESSED:
 - HOUSING
 - EDUCATION
 - TRANSPORTATION
 - WORKFORCE
 - CHILDCARE
- "THE FORT RILEY MODEL"
 - A TROOP/MISSION RECRUITMENT STRATEGY

STATUS OF THE ACCOMMODATIONS

- HOUSING
 - 8,000 TO 9,000 ADDITIONAL UNITS REQUIRED
 - 5,600 NEW UNITS ARE STARTED OR PLANNED
 - 400 TO 500 NEW UNITS IN A NORMAL YEAR

- EDUCATION
 - \$32 MILLION SCHOOL BOND ISSUE PASSED IN JUNCTION CITY
 - NEW 1,100 STUDENT MIDDLE SCHOOL
 - NEW 400 STUDENT ELEMENTARY SCHOOL
 - TWO EXISTING ELEMENTARY SCHOOLS EXPANDED
 - SECOND HEAD COUNT DATE (FEBRUARY 20) CREATED
 - 1,000 STUDENTS AFFECTED
 - EXCESS CAPACITY BEING ABSORBED IN MANHATTAN

STATUS OF THE ACCOMMODATIONS

- TRANSPORTATION
 - \$58 MILLION COMMITTED TO ROAD CONSTRUCTION OR PLANNING PROJECTS
 - 16,000 ADDITIONAL CARS

- CHILDCARE
 - 6,500
 - PLAN TO FILL GAPS IS BEING DEVELOPED

- OTHER SIGNIFICANT
 - \$34 MILLION HOSPITAL EXPANSION – GEARY COUNTY

- WORKFORCE
 - KANSAS DEPARTMENT OF COMMERCE
 - DEPARTMENT OF LABOR GRANT
 - COMBINED CHAMBERS' INITIATIVE

GREATEST CHALLENGES

- THE WORKFORCE
 - NUMBERS AND SKILLS
- THE TIMING OF NEW HOUSING AVAILABILITY

GREATEST ASSETS

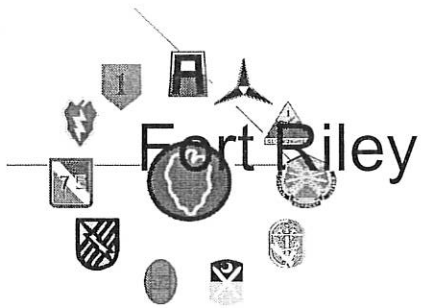
- THE MILITARY'S RELATIONSHIP AND COMMUNICATIONS WITH ALL AREA ENTITIES ARE EXCELLENT AND POSSIBLY THE BEST EVER
- A TRULY REGIONALLY APPROACH IS BEING TAKEN BY CITIES, COUNTIES AND SCHOOL DISTRICTS

THE PLANNED EXPANSION AT FORT RILEY IS UNPRECEDENTED

- FOR THIS GROWTH AT FORT RILEY TO OCCUR THE BRAC GAINS MUST BE PROTECTED AND KANSAS MUST PARTICIPATE IN FUTURE DOD DECISION PROCESSES
 - APPLICABLE TO ALL MAJOR INSTALLATIONS
- THE GOVERNOR'S MILITARY COUNCIL (GMC) HAS BEEN CREATED TO FULFILL THESE RESPONSIBILITIES PLUS OTHERS
- THE GMC IS MODELED AFTER THE GOVERNOR'S STRATEGIC MILITARY PLANNING COMMISSION



PROTECTING AND GROWING THE MILITARY IN KANSAS



Encroachment Management Through Use of Army Compatible Use Buffers (ACUBs)

Mr. Jeff Keating
Directorate of Public Works



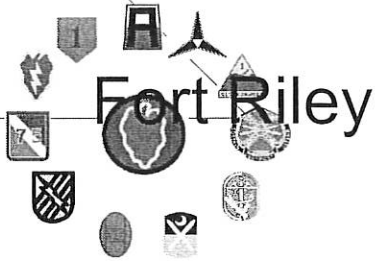
Senate Commerce Committee

March 1, 2006

Attachment 2-1

02/28/06

Jeff Keating, IMNW,
jeff.keating@riley.army.mil, (785)
239-8022



Encroachment Noise Issues



2-2

Noise Zones reflect annualized noises

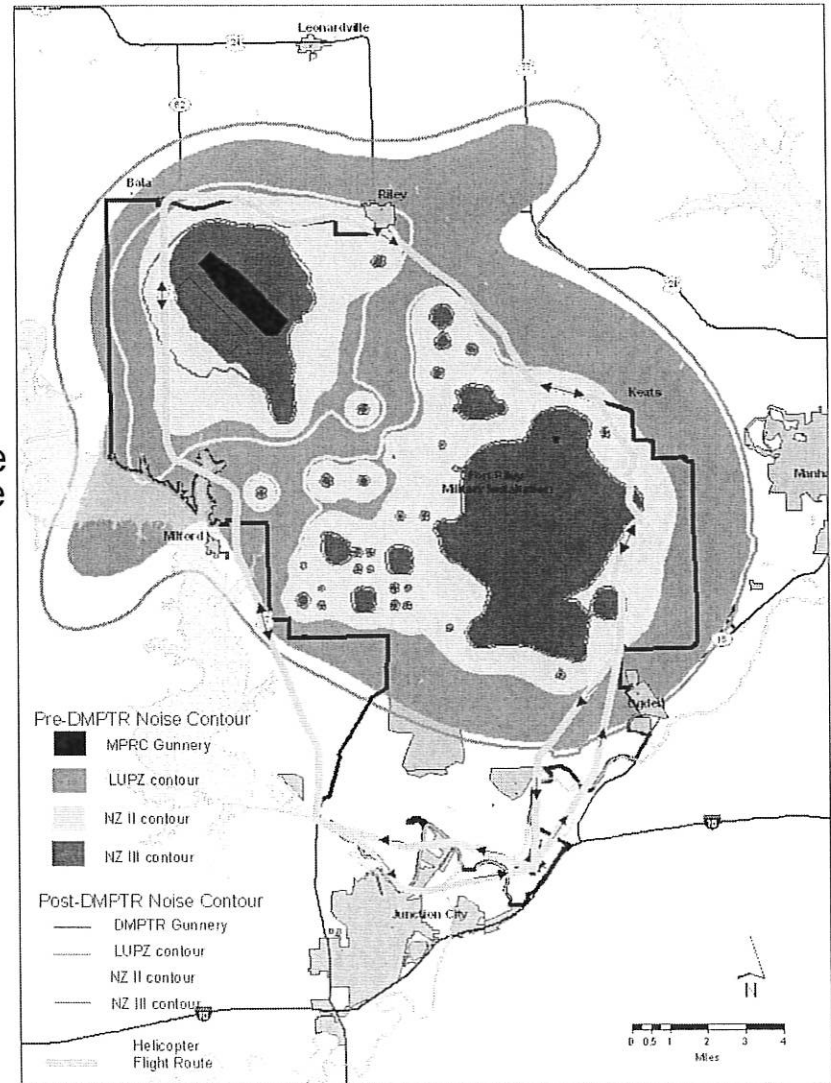
Zone II - Significant noise, limit use to non-sensitive activities (industrial, agriculture)

- Encroachment may impact firing capabilities at the tank gunnery ranges
- Encroachment may impact road demolition training at Range 52

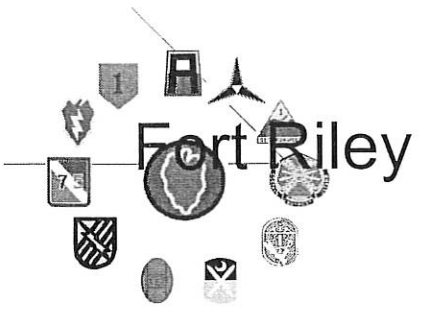
LUPZ (Land Use Planning Zone) - During active training, irritation level is as high as in Noise Zone II

- Ranchettes west and south of Fort Riley will likely impact helicopter flight operations beyond the installation's boundary

Helicopter traffic will increase



.EY
1863



Fort Riley Encroachment

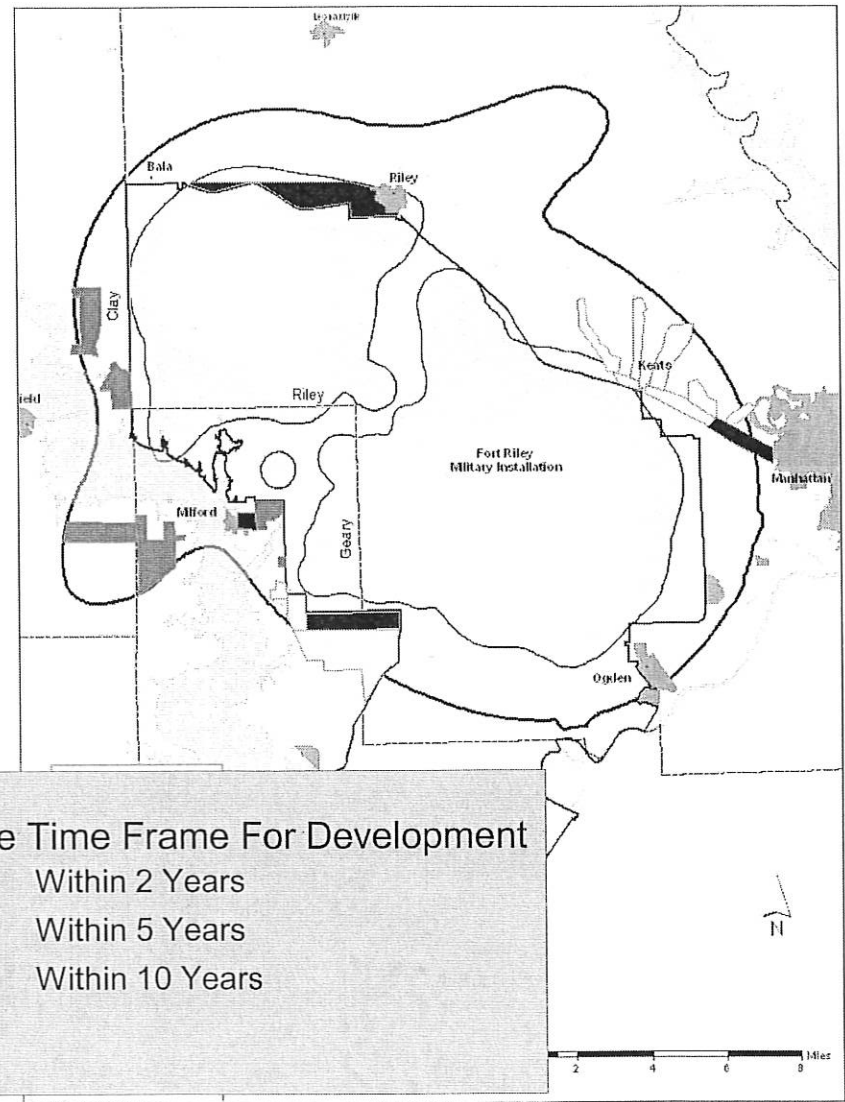


Urban development encroaching upon Fort Riley

- Manhattan's westward expansion
 - Anderson Avenue corridor
 - Colbert Hills Golf Course
- Riley's westward expansion
- Country homes on western, southern boundaries
- Milford's eastern expansion
-

Concern - Increasing pressures restrict training due to

- Mission-related complaints (noise, smoke, dust, etc.)
- Rare habitat losses



Possible Time Frame For Development

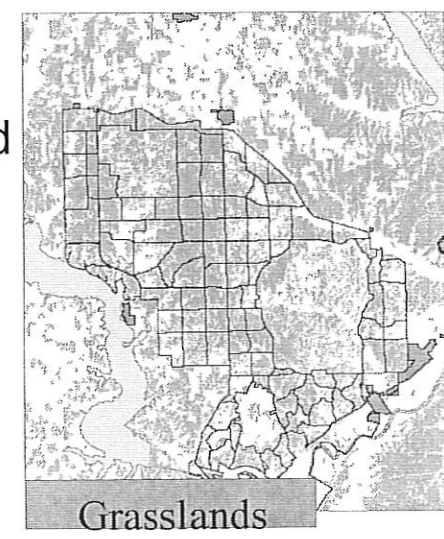
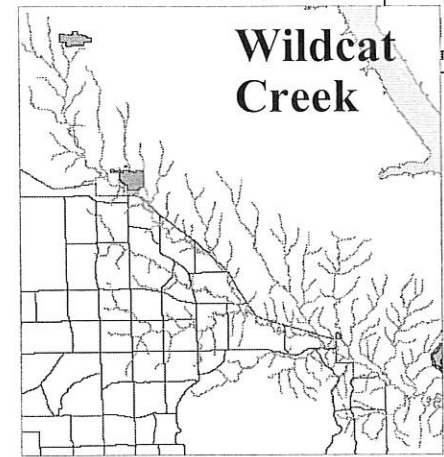
	Within 2 Years
	Within 5 Years
	Within 10 Years

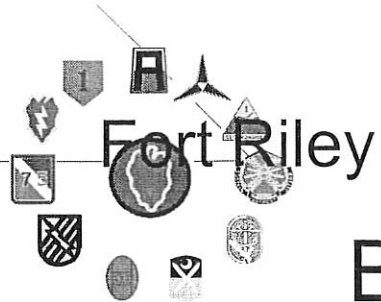


Encroachment Conservation Issues



- **Topeka Shiner** (endangered species)
 - Wildcat Creek off-post drainage > 50% of habitat
 - Possible training restrictions if development reduces Topeka shiner numbers in Wildcat Creek
- **Regal Fritillary Butterfly** (Species of Concern)
- **Henslow's Sparrow** (Species of Concern)
- **Greater Prairie-Chicken** (Blue List Species)
 - Require extensive tallgrass prairie landscapes
 - Fort Riley has major breeding populations
 - Development is removing prairie parcels north and west of Fort Riley
 - Potential training restrictions, if even one species is listed as threatened or endangered:
 - Restrict firing at ranges
 - Restrict incendiary devices
 - Restrict cross-country vehicle movements





ACUB Solution

Buffer Areas Around Fort Riley

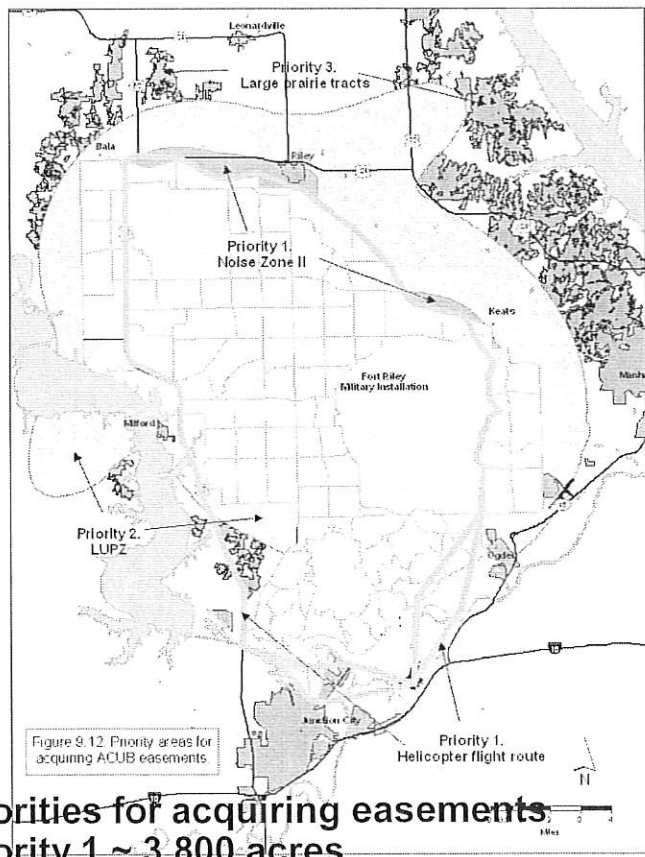
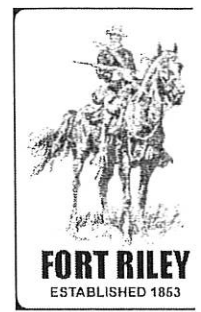
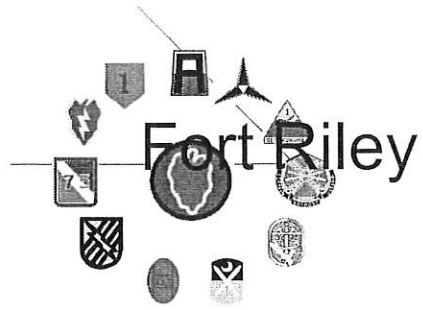


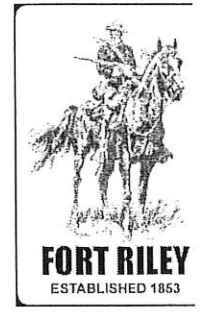
Figure 9.12 Priority areas for acquiring ACUB easements.

Priorities for acquiring easements
Priority 1 ~ 3,800 acres
Priority 2 ~ 46,000 acres
Priority 3 ~ 5,000 acres

Partnership between Fort Riley and the Kansas Land Trust (KLT)
 KLT approaches landowners and performs real estate transactions
Willing landowners only
 Does not create more training land
 Does not put new land into Army inventory
 Maximizes capability of existing lands
 Supports objectives for open space and species habitat conservation
 Requires Partner Match



Other's ACUB Success



2-6

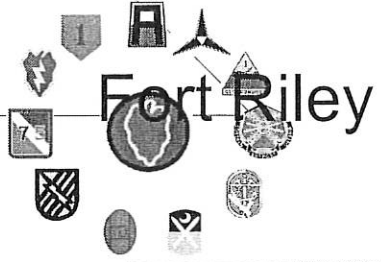
	" FY 2003-2005 "		" Acres
	" DoD*	" Partner*	
" Camp Blanding, FL	" \$1	" \$31.5	" 12,666
" Camp Ripley, MN	" \$0.5	" \$35	" 600
" Fort Carson, CO	" \$9.5	" \$1.5	" 4,960
" Fort Bragg, NC	" \$2	" \$1.2	" 628
" Fort Sill, OK	" \$0	" \$1	" 400
" Fort Stewart, GA	" \$3	" \$0	" 0
" US Army Garrison, HI	" \$5.4	" \$3.4	" 0
" Total	" \$21.4	" \$73.6	" 19,254

- **ACUB Program Expenditures**
- FY 2003 \$0.68M
- FY 2004 \$1.3M
- FY 2005 \$18.9M
- **FY 2006 \$37M**

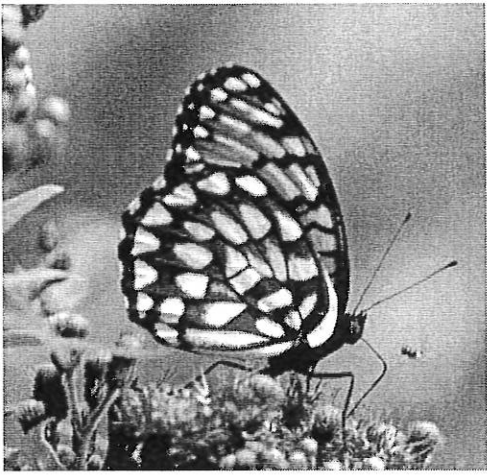
*All figures represent millions of dollars

ACUB Program funded by Congressional Budget line item

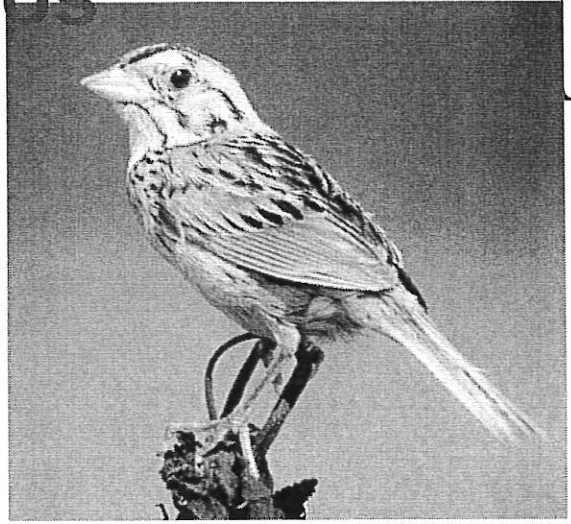
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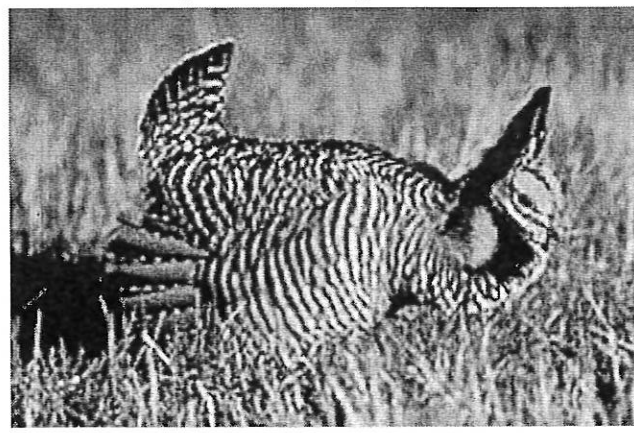
Species Photos



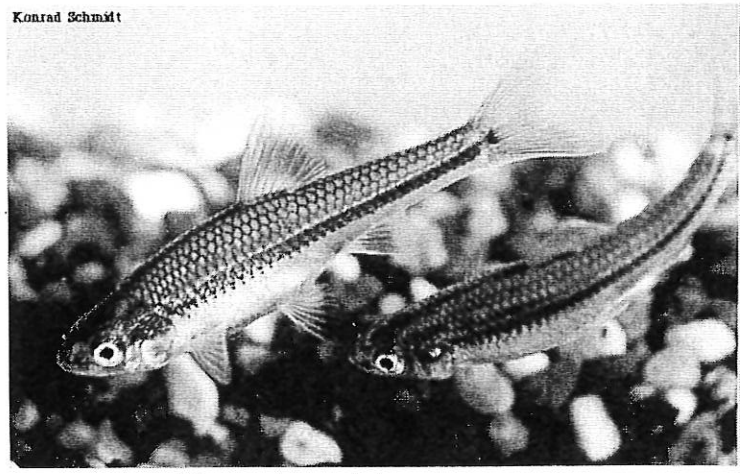
Regal fritillary



Henslow's sparrow



Greater prairie-chicken



Topeka shiner

DEPARTMENT OF THE ARMY
INSTALLATION MANAGEMENT AGENCY
HEADQUARTERS, UNITED STATES ARMY GARRISON, FORT RILEY
500 HUEBNER ROAD
FORT RILEY, KANSAS 66442-5000

Submitted as testimony to Senate Commerce Committee

1 March 2006

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Army Compatible Use Buffer Program
Landowner Information Inquiries
As of February 28, 2006

Location	ACUB Information Inquiries	ACUB CE Applications Received	Total Acreage
Priority 1 Area	23	7	2,730
Priority 2 Area	17	5	2,186
Priority 3 Area	2	1	1,059
Outside ACUB	7	1	3,765
Below Minimum Acreage	2	0	8
To Be Determined	4	0	771
Totals	55	14	10,519

Senate Commerce Committee

March 1, 2006

Attachment

3-1