## Testimony of Mary E. Turkington Chairman of the Kansas Turnpike Authority Before the Senate Ways and Means Committee Concerning House Bill 2234 March 20, 2013

Mr. Chairman and members of the Committee, I am Mary Turkington, Chairman of the Kansas Turnpike Authority, and I am here today to oppose the passage of HB 2234.

A very few Committee members will remember my previous professional career when I served as Executive Director of the Kansas Motor Carriers Association – the organization Tom Whitaker leads today. Tom and I worked together to help develop the 1989, the 1999, and I, to a limited degree, the 2010 long-range highway programs. After my 1997 KMCA retirement, Governor Bill Graves appointed me to the first of my four-year terms on the Kansas Turnpike Authority.

The effort to somehow take over or control the KTA can't really be only about efficiency because cooperation between KDOT and KTA is already required by law. In fact, KDOT and KTA have a long and rich history of cooperative efforts which continue as we speak. Moreover, after nearly sixteen years as a member of the Authority and working with my third KDOT Secretary, I am unaware of a single complaint from any Secretary, including Secretary King, that the KTA has been obstinate, uncooperative, or

inefficient. There must be more to this story. In this building, that usually means money.

From the date the Kansas Turnpike was opened on October 25, 1956, this toll-funded commercial artery has NEVER received one cent of tax money either state OR federal. The customers who USE the highway pay the cost of the privately funded system.

Conversely, the Turnpike, in 2012, provided tax dollars to the state of \$10.2 million from motor fuel and sales taxes collected at the Turnpike's six service areas.

The successful business model Turnpike management has developed employs efficiencies that would NOT be possible in a state agency operation. Why would this Legislature want to EXPAND a tax supported state agency by adding a now privately-funded, "no cost to the state" operation?

Though the House amendments struck language that would make KTA subordinate to KDOT and the Secretary both the Chairman and Chief Executive Officer of the Authority, the bill retains language that would permit the use of KTA money, for the first time, for non KTA purposes. Since the amendments to KSA 68-2021 were drafted by KDOT's legal staff and approved by Secretary King, the old adage of "follow the money" is in order. At first glance, the amendments to that section seem quite simple. But when you carefully look at the language, let me give you an example of what the new language would permit.

In Sec. 2 of the bill, the Secretary and the KTA are authorized to "contract with each other". The subject of those contracts can be Turnpike projects and the amendments add new language, "highways of the state". Since current law limits the use of KTA funds to "Turnpike projects", the new language "highways of the state" effectively expands the definition of what Turnpike projects are. A house amendment limited those projects on "highways of the state" to routes that connect to the Turnpike no more than 10 miles from the Turnpike. As a result, since the language permitting contracts between the Secretary and the KTA does not require fair value, the KTA could agree to perform construction projects on "highways of the state" and the Secretary could agree to pay the KTA as little as \$1 for that work. That's right, the KTA could agree to do a \$20M project on "highways of the state" and get \$1 in return from the Secretary. What other purpose could Secretary King's new language "highways of the state" have if not to expand the use of Turnpike money beyond its current boundaries? In an op-ed piece authored in the Wichita Eagle recently by Representative Mark Hutton, a member of the Authority, he answered the question about whether the merger was all about money this way, "You bet it is". So the real question each of you must ask yourself is whether you believe KTA customers should be asked to pay higher tolls which I believe become taxes when used for non-turnpike purposes? I believe the answer to that question is a resounding NO.

Finally, I understand that there may be efforts to strip out the House Committee amendments reviving the original intent to make the KTA subject to the supervision of KDOT and make the Secretary the Chairman and Chief Executive Officer of the Authority. Why? The Governor and the Secretary already control the Authority and will gain complete control when I leave the Authority at the end of April. In addition, under that plan, the majority of the Authority has no control of the KDOT Secretary because the Secretary reports to the Governor, not the Authority. Surely none of you really believe that having KTA join the state bureaucracy is the preferred operating model to the private independent model currently in place? Who is complaining about the way the KTA operates? Not one person except Secretary King has appeared in favor of this bill in either chamber. In short, the Governor, any Governor, can control Turnpike operations through the Authority, the majority of which they appoint. What the current law does not permit is the use of Turnpike funds, paid by Turnpike customers, to be used beyond the Turnpike boundaries.

The bill in front of you cleverly provides an indirect method to get at Turnpike money for the first time.

This bill is nothing more than the "Turnpike Trojan Horse!"

I sincerely believe that neither Gov. Sam Brownback nor those advising him, fully understand the enormity of the mistake he is asking YOU to make. Should this unwise and unnecessary policy actually become law, I firmly believe you will come to deeply regret your decision.

I have, in my previous professional life, watched this Kansas Turnpike from the time it was an idea in Gale Moss' mind as it became a bill on a piece of paper, passed by a Legislature that fully protected the state from ANY liability, watched it widely used by the trucking industry when managers discovered they could operate a schedule from Kansas City to Wichita and safely return to Kansas City within a driver's 10-hour driving time, and fortunately have served as a Turnpike Authority member from the time Gov. Bill Graves first appointed me in 1997 until my current term that expires on April 30<sup>th</sup> of this year. The Turnpike as it currently exists is a valuable asset to this state. I am heartsick that you unwittingly are about to destroy it. I ask you once again. Please do NOT pass this bill.