

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator Paul Hess at \_\_\_\_\_  
Chairperson

11:00 a.m./p.m. on January 31, 1983, 19\_\_ in room 123-S of the Capitol.

All members were present except:  
Senators Doyen and Steineger

Committee staff present:

Research Department: Marlin Rein, Sherry Brown, Mary Galligan, Ed Ahrens

Revisor's Office: Norman Furse

Committee Office: Mark Skinner, Administrative Aide; Doris Fager, Secretary

Conferees appearing before the committee:

Secretary John Kemp, Department of Transportation

Budget Memo 93-10 - State Implementation of the Federal Job Training Partnership Act (JTPA)

Staff presented the above Budget Memo (Attachment A). There were questions from committee members concerning percentages cited in the memo and Federal legislation.

Overview by Department of Transportation

Secretary Kemp distributed Attachments B, C, D, and E to committee members. He referred to those attachments during his brief presentation. There were questions by committee members following his remarks. Senator Talkington suggested that, on the new money for the Governor's proposal for 1984, it would be well to have the total amount that would be going to local units of government. The Department agreed to furnish that figure to him, as well as any other information needed by the committee.

The meeting was adjourned by the Chairman.

SUBJECT: State Implementation of the Federal Job Training  
Partnership Act (JTPA)

States will assume most of the responsibility for federal job training programs when the Job Training Partnership Act (P.L. 97-300) replaces the Comprehensive Employment and Training Act (CETA) on October 1, 1983. Federal funds will be awarded to the state much like a "block grant" and the state will decide how to structure and implement its programs. The goal of the Act is to provide training in job skills to the low-income unemployed, but other groups also will be eligible for assistance. The law enhances the role of state government (particularly the Governor) and of private industry in developing job training programs; it imposes performance standards; it limits client support services; and it authorizes a new program of retraining displaced workers. Unlike CETA, the new Act does not include a public service employment program for the jobless.

The purposes of the Act are to aid youths and unskilled workers, and to provide job training to individuals who face serious problems in finding work. States will receive formula grants to finance training and service programs for the disadvantaged, and will be eligible to apply for federal grants which must be matched from nonfederal sources to finance dislocated workers' programs.

The state will have to take a number of actions in calendar year 1983 in order to ensure a smooth transition from CETA to JTPA on October 1, 1983, including the appointment of a new State Job Training Coordinating Council in January, designation of new service delivery areas by March 10, preparation of a State Plan by July 10, and approval of job training plans by September 25. The authority of the state Legislature is addressed by Section 126 of the Act which states that "Nothing in this Act shall be interpreted to preclude the enactment of state legislation providing for the implementation, consistent with the provisions of this Act, of the programs assisted under this Act."

Currently, the state is divided into four service areas in which four prime sponsors implement CETA programs: the city of Kansas City, Kansas and Wyandotte County consortium; the city of Topeka and Shawnee County consortium; the city of Wichita; and the Balance of State (administered by the Department of Human Resources). Federal funds are allocated to the CETA prime sponsors as follows: Balance of State 62 percent; Kansas City - Wyandotte 15 percent; Topeka - Shawnee County 10 percent; and Wichita 13 percent. In addition, the Governor's Special Grant Unit initiates statewide and local CETA-funded projects of a discretionary nature.

During FY 1983, approximately \$20,755,087 will be spent in Kansas by the different CETA agencies. This amount represents new federal appropriations plus carryover from the previous contract year. Although funding for FY 1984 has not been appropriated by Congress, the amount available to Kansas will be less than this year because of a change in the formula for distribution contained in the new legislation and because no carryover will be available. FY 1983 expenditures for the CETA agencies are estimated as follows:

Balance of State	\$12,716,612
Kansas City/Wyandotte	2,765,476
Wichita	2,593,808
Topeka/Shawnee	1,460,211
Governor's Special Grant	1,218,980
TOTAL	<u>\$20,755,087</u>

### Structure of Programs

The Act gives the state special responsibilities for coordinating job training programs at state and local levels with all other employment and training-related activities, including education, administered through state agencies.

### Service Delivery Areas (SDAs)

The new federal Act substitutes the concept of "service delivery area" for the CETA "prime sponsor" concept. The Governor designates service delivery areas within the state. Requests filed by local governments or groups of governments of 200,000 or more in population must be approved. The Governor may approve requests of local governments or groups of governments under 200,000 population.

### State's Responsibilities

The Governor must prepare an annual statement of goals and objectives for job training and placement programs in the state, as well as a Governor's Coordination and Special Services Plan for two program years which describes the proposed use of state resources and the service delivery areas. The State Plan must provide the criteria to be used for coordinating job training activities within the state and must include an explanation of the special services activities if they are to be provided. Special services activities are formulated by the Governor.

The Governor must appoint a State Job Training Coordinating Council (State Council) with representatives of business and industry (one-third); the state Legislature and other state agencies (not less than 10 percent); units or consortia of units of government (not less than 20 percent); and the general public, organized labor, community-based organizations and local education agencies (not less than 20 percent). The State Council recommends a Governor's Coordination and Special Services Plan; recommends the designation of service delivery areas; plans, coordinates and monitors job training programs and services; and reviews other activities relative to job training.

The Governor is responsible for a statewide comprehensive labor market and occupational supply and demand information system. In addition, the Governor may transfer functions of previous state councils established under the Work Incentive Program (WIN) and the Wanger-Peyser Act (State Employment Service) to the new State Job Training Coordinating Council.

### Transition Schedule

CETA is authorized until September 30, 1983, and the first year of JTPA will run from October 1, 1983 to June 30, 1984. Thereafter, the program year will correspond to the state fiscal year. All time limits in the new Act are waived for the first year that pertain to the planning and review process, except that the job training plans must be submitted to the Governor by August 31, 1983. Legislative review of the plans is required. Supplement 1 shows the transition actions for the state prepared by the Department of Human Resources.

### Private Industry Councils (PICs)

A Private Industry Council must be established in each service delivery area. The PICs have responsibility for developing job training plans, designating administrative entities to carry out programs, and overseeing the program operation. The majority of the PIC membership must be from the private business sector, but other members must include representatives of educational agencies, organized labor, rehabilitation agencies, community-based organizations, economic development agencies, and the public employment service.

### Job Training Plan

A two-year operating plan for job training must be submitted for each service delivery area, to be reviewed by each house of the Legislature, local educational and other private agencies in the service delivery area, and labor organizations. The Governor must approve the final plan, unless the service delivery area is the entire state, in which case the Secretary of Labor has final approval authority.

### Training for the Disadvantaged

Starting October 1, 1983, the state will receive a funding allocation from the Department of Labor for activities authorized under Title II, Part A for a basic training program for disadvantaged adults and youth. Separate allocations will be made for a summer youth program under Title II, Part B and for a dislocated worker program under Title III.

### Client Eligibility

Disadvantaged adults and youth are the primary targets of the Act, but up to 10 percent of the participants do not have to be economically disadvantaged. Groups which may be served include displaced homemakers, persons 55 years or older, school dropouts, persons with limited English language proficiency, teenage parents, handicapped persons, veterans, criminal and juvenile offenders, alcoholics, and drug addicts.

## Federal Allotment

One-third of the Title II, Part A funding will be distributed according to each of the following criteria: relative unemployment compared with other states, unemployment in excess of 4.5 percent, and number of poverty level disadvantaged. The Act provides that no state shall receive less than 0.25 percent of the national allocation nor less than 90 percent of its previous year's share.

Of the state's allocation, 78 percent is to be used for aid to service delivery areas and 22 percent may be used for state administered activities, with the following activities allowed: 8 percent for state educational programs; 3 percent for training programs for older individuals; 6 percent for Governor's special grants to provide incentive awards or technical assistance to service delivery areas; and 5 percent for administration, auditing and other activities of a management nature.

## Employment and Training Assistance for Dislocated Workers

The new Act authorizes a separate program for helping workers in all states who have lost their jobs and are unlikely to get them back. Three-fourths of the funds will be distributed to the states according to a formula assessing total unemployment, the number of unemployed over 4.5 percent, and the number of persons unemployed for 15 weeks or longer. One-fourth of the funds will be distributed on the basis of state applications and are reserved for critical situations or use in designated enterprise zones. States will be required to match federal funds with an equal amount from nonfederal sources, although states with high unemployment may provide a reduced share.

## Summer Youth and Employment Training Program

The summer program for economically disadvantaged youth age 16 to 21 is authorized by Part B of Title II, with funds distributed among states using the same formula as the Part A adult and youth training program. Summer youth funds may be used for supportive services and wages, but 100 percent of the funds must be allocated to service delivery areas.

## Amendments to the Wagner-Peyser Act and the Social Security Act

The new job training legislation also amends the Wagner-Peyser Act which authorizes the State Employment Service. A new funding formula for state grants is mandated which may result in less funding for Kansas since the new allocation system is intended to target federal money to areas of high unemployment. Ten percent of the state grant is reserved for the Governor's discretionary use and the other 90 percent of the state's allocation is to be used for job services currently provided by the State Employment Service.

The new Act also amends the portion of the Social Security Act which authorizes the WIN program for AFDC recipients who are able to work. The amendments require the Governor to coordinate the state WIN programs with job training in service delivery areas and when appropriate, for WIN registrants to be referred for job training and employment services provided by JTPA. The Kansas WIN project is currently a joint project of the Department of Human Resources and the Department of Social and Rehabilitation Services.

### Legislative Role

This budget memo provides an overview of the new Job Training Partnership Act. The Legislature may wish to consider what role it wishes to play in implementing the new programs in Kansas. The only restriction in the federal Act on legislative involvement is the prohibition against enacting legislation that is contrary to the new law.

At least two levels of involvement are required by the federal Act. First, legislators must serve on the State Job Training Coordinating Council. Second, the Act directs each house of the Legislature to review the job training plans for each service delivery area in the state prior to their approval by the Governor. The legislative review of the initial nine-month plans must be completed prior to August 31, 1983, and review of the subsequent two-year plans must be completed not later than 120 days prior to July 1, 1984.

In addition, federal funds for the new program are subject to legislative appropriation during the 1983 Session. Up to \$80,000 for each Private Industry Council and the Department of Human Resources will be available in FY 1983. The FY 1984 federal allotment for Kansas will depend upon the appropriations authorized by the 98th Congress. When the Department of Human Resources prepared its revised FY 1983 and FY 1984 budgets, the new federal legislation had not been passed, so the agency did not include requests for JTPA funding or programs. CETA funding was requested both years, but funding will expire on September 30, 1983, three months into state FY 1984.

Supplement 1

CETA→JTPA

TRANSITION ACTIONS FOR THE STATE

- A. Prepare for new administrative functions given to Governor under JTPA - establish mechanisms for:
  - 1. allocation of funds to SDAs by formula
  - 2. monitoring of programs of SDAs and 22% programs
  - 3. fiscal controls, auditing of all JTPA programs - SDAs and 22%
  - 4. MIS reports, recordkeeping for all JTPA programs - SDAs and 22%
  - 5. measurement of programs against new performance standards
  - 6. administrative adjudication
- B. Appointment of State Job Training Coordinating Council by Governor - January
- C. Designation of Service Delivery Areas (SDAs) by Governor - Jan.-Feb.
- D. Establishment of Private Industry Councils in each SDA - Feb.-March
- E. Governor certifies each SDA's PIC
- F. PICs and local elected official(s) reach agreement on:
  - 1. procedures for development of the SDA's job training plan
  - 2. selection of grant recipient (may be the PIC, unit of local government, a local government agency, a nonprofit private organization, or other(s))
  - 3. selection of an entity to administer the SDA program (may be the PIC, unit of local government, a local government agency, a nonprofit private organization, or other(s))
  - 4. final program plan and budget
- G. Submit Governor's Coordination and Special Services Plan to DOL - July 10 (approved by August 14)
- H. Submit Dislocated Worker Plans to DOL - August 7 (approved by September 11)
- I. Submit State Job Service Plan to DOL - August 14 (approved by September 18)
- J. SDA's submit preliminary Job Training Plans to Governor - August 30 (approved by September 25)
- K. Governor/Secretary DHR reviews and approves SDA Job Training Plans - August 30-September 25
- L. JTPA into effect - October 1

Governor's Budget Recommendation  
Supplemental Explanation

STATE AND LOCAL  
HIGHWAY FUNDING

Division of the Budget  
January 17, 1983

Att C 1-31-83



GOVERNOR'S BUDGET RECOMMENDATIONS  
Supplemental Explanation

SUBJECT: State and Local Highway Funding

SUMMARY

Governor Carlin's budget recommendations for FY 1984 provide increased funding for state and local highway programs without an additional tax levy directly on road users. It does, however, continue the principle of financing state and local highway programs from user-related revenues. The Governor's highway funding proposal contains two components: (1) a phased in transfer of retail sales tax receipts from the sale of new and used motor vehicles, parts, accessories, and services from the State General Fund to state and local highway programs; and (2) the release of funds currently dedicated to the freeway program for use as system-wide priorities dictate. The sales tax transfer is phased in by 25 percent annual increments over four years. The Freeway Fund release is phased over three years. Funds are distributed between state and local units on a 65-35 percent basis, except that local units may not receive more than 100 percent of the sales tax transfer in any one year.

The financial impact of the Governor's proposal is summarized below:

Governor Carlin's Highway Funding Proposal  
(Millions of Constant 1984 Dollars)

<u>Measure</u>	<u>FY 1984</u>	<u>Fiscal Years</u>		<u>FY 1987</u>
		<u>FY 1985</u>	<u>FY 1986</u>	
Sales Tax Revenue	\$84.5	\$84.5	\$84.5	\$ 84.5
Percent to Highways	25.0%	50.0%	75.0%	100.0%
Yield to Highways	\$21.1	\$42.3	\$63.4	\$ 84.5
Freeway Transfer	50.0	40.0	20.0	--
Total to be Distributed	<u>\$71.1</u>	<u>\$82.3</u>	<u>\$83.4</u>	<u>\$ 84.5</u>
Local Share	\$21.1	\$28.8	\$29.2	\$ 29.6
State Share	50.0	53.5	54.2	54.9
TOTAL	<u>\$71.1</u>	<u>\$82.3</u>	<u>\$83.4</u>	<u>\$ 84.5</u>

BACKGROUND

State Highway Needs

There is general agreement that highway needs far exceed available funds. For four years, the Governor has recommended major highway funding increases. Two legislative interim committees (1980 and 1981) have studied

highway needs and concluded that current funding for state and local roads and bridges is inadequate. Both committees recommended that additional funds be appropriated to meet highway needs.

Estimates of funding needs prepared by the Department of Transportation for previous Legislatures have ranged from \$152 million to over \$250 million. After application of available federal funds to meet these needs, a funding shortfall of \$110 to \$215 million for non-interstate roads and bridges remained. As explained below, aid from the newly enacted federal gasoline tax increase will reduce this shortfall only modestly.

Available revenue under the current funding structure is inadequate to finance even a minimal maintenance and preservation program. Only about \$7 million in state funds from current sources is available for improvements to the state highway system and to match federal funds in FY 1984.

Despite recent reductions in the rate of inflation, the bid price index for 1981 is 57% higher than it was in 1977. During the same period, collections from the motor fuel tax have stabilized; estimated FY 1984 collections are projected to be roughly \$4 million less than those in 1977. The continued popularity of small cars and development of more efficient engines makes future increases unlikely.

### Local Needs

Cities and counties are responsible for 20,477 bridges and approximately 125,000 miles of roads and streets. The city/county rehabilitation and replacement needs have been studied by the Road Information Program (1982), the Kansas Engineering Society (1981) and Wilbur Smith and Associates (1962). In addition, the Federal Highway Administration annually publishes a national bridge inventory listing substandard Kansas bridges. Although their estimates of needs and corresponding costs vary, all conclude that a significant portion of local roads are considered as fair or poor and a large percentage of bridges are classified as functionally obsolete or structurally deficient. Virtually every highway funding proposal in recent years has earmarked a portion of any new source of funds to assist local governments in meeting road and bridge needs.

### Federal Funding

The 1982 Surface Transportation Assistance Act (STAA), signed by the President on January 6, 1983, provides federal-aid highway authorizations for federal fiscal years 1983-1986. The Kansas share of federal construction aid is compared with prior years in the following tables.

1982 SURFACE TRANSPORTATION ASSISTANCE ACT (STAA)  
 ACTUAL (1981-1982) AND ESTIMATED (1983-1986)  
 FEDERAL CONSTRUCTION APPORTIONMENTS  
 (Dollars in Millions)

Category	Match Ratio	Actual		STAA 1982 Estimates			
		1981	1982	1983	1984	1985	1986
Interstate Completion	90-10	30.7	23.1	26.0	26.0	26.0	26.0
Interstate 4R	90-10	3.7*	9.6	21.6	26.6	31.0	34.9
Primary	75-25	27.7	22.3	26.1	29.6	32.4	34.5
Secondary-State (20%)	75-25	2.4	1.6	2.6	2.6	2.6	2.6
Secondary-Local (80%)	75-25	9.8	6.4	10.3	10.3	10.3	10.3
Urban-Local	75-25	6.9	6.5	6.5	6.5	6.5	6.5
Bridge-State (55%)	80-20	13.6	10.0	23.5	24.3	26.0	31.0
Bridge-Local (45%)	80-20	11.2	8.2	19.2	19.9	21.3	25.4
Other-Local	Varied (90-10)	10.0	9.6	8.6	8.6	8.6	8.6
Subtotal - State		78.1	66.7	99.7	109.1	118.0	129.0
Subtotal - Local		37.9	30.8	44.6	45.3	46.7	50.8
TOTAL		116.0	97.5	144.4	154.4	164.7	179.9

\* Matching Ratio 75-25 for 1981

Note: Detail may not add to totals due to rounding

FEDERAL CONSTRUCTION CATEGORY APPORTIONMENTS COMPARISON  
 (Dollars in Millions)

Category	Average 1979-1982	Estimated Average 1983-1986	Per year Average Gain (Loss)
Interstate Completion	30.6	26.0	(4.6)
Interstate 4R	4.5	28.5	24.0
Primary	24.9	30.7	5.7
Secondary-State (20%)	2.1	2.6	.5
Secondary-Local (80%)	8.4	10.3	2.0
Urban-Local	6.8	6.5	(.3)
Bridge-State (55%)	11.4	26.2	14.7
Bridge-Local (45%)	9.4	21.4	12.1
Other-Local	9.9	8.6	(1.2)
Subtotal-State	73.6	114.0	40.3
Subtotal-Local	34.4	46.9	12.5
TOTAL	108.0	160.8	52.8

NOTE: Detail may not add due to rounding.

The new Act provides an average of approximately \$52.8 million per year in additional construction funds to state and local units over the 1979-1982 average. Of the \$52.8 million increase, \$40.3 is available for state use and \$12.5 for local units of government. The funding emphasis in the new Act is on (1) the interstate system (\$19.4 million average difference); and (2) replacement and rehabilitation of deficient bridges (\$14.7 million for the state system and \$12.1 million for local units).

At the state level, the new non-interstate (primary, secondary and bridge) funding level of \$59.4 million per year represents a \$20.9 million increase over \$38.5 million average estimated as available in previous analyses of needed funding. Consequently, the state funding shortfall is reduced by \$20.9 million to a level of approximately \$90-195 million.

As can be seen from the table, state match requirements vary by category. Interstate funds require that 10 percent of the project be paid by the state; primary and secondary aid require 25 percent and bridge funds 20 percent. The average state match required for the state system share of the construction funds in the new bill is \$23.7 million per year. An additional \$2.8 million per year is required to match accumulated federal apportionments from previous years which could not be spent due to the low federal obligation ceiling. Taken together, a total of \$26.5 million per year is needed to match new and unused federal-aid construction apportionments. However, it must be remembered that designing a state highway program solely around federal match requirements substitutes federal priorities for state priorities to the detriment of the total state highway system.

As the table shows, local units make significant gains in bridge funding under the new Act, but receive somewhat lower levels of funding in the federal-aid urban and "other" categories and receive only slightly more in federal-aid secondary. It is estimated that local units will require \$13.7 million to match their share of federal funds (including unused balances) under the new bill, or approximately \$9.2 million more than required under the former act.

In summary, while the new federal Act will improve the total revenue situation, little is provided to assist the state and local units with primary, secondary or urban system needs. Moreover, additional state and local resources are necessary to match the new federal assistance, and even with the added federal aid, a sizeable gap remains between needs and resources.

### Governor's Proposal

The Governor's proposal to assign sales tax revenues from the sale of new and used motor vehicles, parts, accessories, and services to streets and highways and to release \$110 million in Freeway Fund resources for system-wide use is based on the following premises:

- (1) An adequate long-term funding plan must be established by the 1983 Legislature to respond to the pavement preservation backlog and to allow for the orderly development of road and bridge projects.
- (2) The Department of Transportation must have maximum flexibility to use existing state highway resources as statewide priorities dictate.
- (3) Transportation funding should continue from user related revenues and should, to the extent possible, contain reasonable prospects for growth on a year to year basis.
- (4) Sufficient state resources must be provided to match available federal funds.
- (5) The state should continue to share any additional fiscal resources with local units of government.

The Governor's proposal provides an additional \$211.3 million over a four year period for state and local road, street and bridge improvements. In addition, the proposal redirects \$110 million of existing dedicated funds to use as statewide priorities require. Over the period of FY 1984-1987, the program provides an average of over \$80 million annually in resources.

State-Local Split. The Governor's proposal provides that the new resources will be shared between state and local governments on a 65-35 percent basis. A 65-35 split is proposed because it has been the approximate basis of distribution for motor fuel tax receipts since 1970 and was recommended by both the 1980 and 1981 interim legislative committees. The proposal does limit local units to no more than the sales tax transfer in any one year; this affects the distribution in the first year only and is necessary because most of the revenue to the State Freeway Fund comes from the motor fuel tax which has already been shared with local units.

Sales Tax Transfer. The Governor has proposed the transfer of vehicle-related sales tax revenue from the State General Fund to road and bridge purposes for two years. This transfer was also recommended by former Governor

Bennett's Task Force on the Future of the Kansas Transportation System (Recommendation No. 32). Due to the shortfalls in State General Fund revenues in the current year, the Governor's FY 1984 proposal phases in the transfer over four years. Because revenues must be phased in, resources to meet statewide system needs must be supplemented until the transfer is fully implemented.

Freeway Fund Release. In order to raise the FY 1984, FY 1985 and FY 1986 program to an adequate level, the Governor's proposal calls for the release of \$110 million from the State Freeway Fund for use on the statewide system. This release will balance the program over the four year period and allow the department to meet statewide needs on a priority basis. Analysis shows that it is possible to release \$50 million in FY 1984, \$40 million in FY 1985, and \$20 million in FY 1986 without jeopardizing the ability of the Freeway Fund to meet debt service requirements or complete projects currently programmed. Candidate projects currently proposed for implementation with freeway funds will, however, be removed from consideration as freeway funded projects and compete with other state projects on a system-wide priority basis. The proposal also anticipates continuation of the existing policy of using federal primary and bridge funds for programmed freeway projects and use of state freeway funds for freeway maintenance through FY 1986.

Kansas Department of Transportation  
January 17, 1983

## FREEWAY PROGRAM TRANSFER

### INTRODUCTION

The State System of Express Highways and Freeways, commonly referred to as the freeway system, was designated with the passage of 1969 House Bill 1142. This bill provided for a separate construction program for modern express highways and freeways to link the principal population centers of the state to each other and major cities in the surrounding states. A map showing this system is attached.

Prior to the authorization of bond sales of \$320 million for the freeway system by the 1972 Legislature, funding was from the motor fuel tax and federal funds. The last bonds were sold in FY 1979. Revenue from the bond sales was deposited to the Freeway Construction Fund and is used for construction.

The Secretary of Transportation presented the 1982 Legislature with a report on the freeway program, arguing for the transfer of funds from the Freeway Fund to the Highway Fund as a stopgap funding measure. A number of options were presented -- none were acted upon. During the summer of 1982, the Secretary directed that the Freeway Fund pay for maintenance of the freeway system. This action freed approximately \$13 million for FY 1982 and FY 1983 to allow an improvement program on the state system outside the freeway system to occur.

It now appears that the possibility of sufficient new funding for highways for FY 1984 is waning as the economy worsens. Any new state revenue would likely be required to meet other needs. Therefore, the Governor has recommended a transfer from the Freeway Fund to the Highway Fund to meet statewide needs on a priority basis. Analysis shows that it is possible to make transfers of \$50 million in FY 1984, \$40 million in FY 1985, and \$20 million in FY 1986.

### ANALYSIS ASSUMPTIONS

The assumptions in the analysis are:

1. The Freeway Fund must be able to meet all debt service requirements through "normal" revenue proceeds. An alternative would be to "force" the Highway Fund to make the debt service payments. That appears undesirable given that a purpose of the Freeway Fund is "for the retirement of highway bonds and highway refunding bond issued under the provisions of this Act" (KSA 68-2301).

2. All revenue sources currently in force will continue. The State Freeway Fund was established to pay the principal and interest on the bonds. The State Freeway Fund money can be used to either reduce debt or for construction projects. However, the first priority must be the debt.

Prior to FY 1980, the State Freeway Fund received some of the motor fuel tax revenue and the interest on the invested State Freeway Funds and State Freeway Construction Funds. However, the 1979 Legislature transferred \$35 million from the State Freeway Fund to the State Highway Fund. In order to provide for the payback of those funds, the interest from the State Highway Fund and various percentages of the motor fuel taxes that had traditionally gone to the State General Fund (not the State Highway Fund) were dedicated to the State Freeway Fund. Under current law this transfer would continue after the payback (with interest) of the \$35 million. While 1981 Senate Bill 9 contained provisions to divert the payback funds after the payback to the State Highway Fund, it did not become law. That bill did not receive even first committee discussion; the provisions were not incorporated in any other proposed legislation.

Previous analyses presented to the Legislature were based upon these revenue sources to the Freeway Fund terminating after the payback is complete. This analysis takes the opposite approach, i.e. that these sources will continue to the Freeway Fund. The difference in the two approaches centers on when the payback source receipts would be available to the Highway Fund. If we assume that the Legislature would pass legislation similar to 1981 S.B. 9, then the Highway Fund would begin receiving these revenues sometime after 1987. If we assume that the sources will remain to the Freeway Fund, the size of the Freeway Fund balances necessary now to supplement fuel tax revenues for debt service can be decreased. The impact is a greater amount available for transfer.

3. Projects currently programmed will be completed. The analysis holds sufficient funds available to meet the payouts on all projects currently programmed. Those projects are shown in the attached table taken from the Annual Freeway Report.

Candidate projects would not be completed using freeway program funds. These five projects are:

<u>Freeway Priority No.</u>	<u>Route</u>	<u>Co.</u>	<u>Description</u>	<u>Est. Cost</u>
1	US-73	LV	NW of Leavenworth, NW to Jct. K-192 (7.0 miles)	\$17 million
2	US-54	KM	W. Jct. K-14 E. to 2.5 miles NE of Kingman (8.0 miles)	\$16 million
3	K-96	BU	1 mile E. of Leon East to BU-GW Co. Line (14.0 miles)	\$12 million
4	US-54	KM	PR-KM Co. Line, East to West Jct. K-14 (15.0 miles)	\$13 million
5	US-36	DP	1 mile E. of BR-DP Co. line, SE to E. of Troy (14.0 miles)	\$32 million

Source: KDOT March 1, 1982 Memo to House Transportation Committee.



Under the Governor's proposal, these 5 projects would compete with all other state projects for priority. While the uncertainty of funds makes it impossible to predict how soon these projects could be programmed, if the Governor's proposal is passed, it appears likely that contracts will be let within the next 3-5 years.

If the candidate projects were completed with freeway program funds, then the result would be one, or a combination of the following:

(1) decrease the amount available for transfer; (2) decrease ability of the Freeway Fund to pay for freeway system maintenance; (3) increase the need to program federal-aid funds for freeway, as opposed to statewide projects; (4) provide for a "payback" mechanism from the Highway Fund.

4. Federal-aid is used. The 1980 Legislature established a restriction on the use of federal-aid for freeway construction projects contained in Chapter 11 of the 1980 Session Laws:

- (e) On and after July 1, 1980, the Department of Transportation shall discontinue expenditures of federal-aid primary funds for freeway construction projects other than those projects for which construction contracts were awarded prior to July 1, 1980. No expenditures of federal-aid primary funds shall be made for acquisition of right-of-way for freeway construction projects initiated on and after July 1, 1980, or for engineering or design of freeway construction projects initiated on and after July 1, 1980.

KDOT believes that federal-aid primary funds can still be used for preliminary engineering and right-of-way on projects in the current program since the law states "construction projects initiated on and after July 1, 1980." KDOT also believes that the restriction does not relate to federal funds other than primary funds. This allows the use of bridge funds with the State Freeway Construction Fund. Since the restriction was part of the FY 1981 appropriation bill and did not become part of the Kansas Statutes Annotated, it appears that the limitation actually applied only to FY 1981. However, there is still a question of legislative intent. Should it be necessary to use primary funds on freeway projects, KDOT believes it has the option to use the funds for the freeway projects.

The analysis is based upon the use of federal-aid primary funds approximately equivalent to 20% of Federal-Aid Primary apportionments and bridge funds on project bases. The funds are programmed so that the Freeway Construction Fund will zero out at the end of the last project. Stated differently, enough federal aid is programmed so that Freeway Funds are not used on projects.

5. Freeway Maintenance is paid from Freeway Fund. On May 14, 1982, the Secretary of Transportation announced to the Highway State Advisory Commission that he was directing approximately \$10 million in maintenance expenditures on the state's freeway systems to be charged to the state's Freeway Fund, thus releasing an equal amount of State Highway Fund monies for preservation projects on the total system. The Secretary noted that this represented a major change in departmental policy. Previously, freeway system maintenance has been paid from the Highway Fund. The FY 1982 - FY 1985 program is based upon this policy. Sufficient funds would be available to continue this policy through the transfer years (FY 1984, FY 1985, and FY 1986) when the Freeway Fund will have revenues sufficient for debt service only.

TABLE 1

ADJUSTED BALANCES ENDING FY 1982 OF THE  
STATE FREEWAY FUND & THE FREEWAY CONSTRUCTION FUND

	State Freeway Fund (\$1,000)	Freeway Const. Fund (\$1,000)
Cash Balances	1,144	795
Invested Funds	121,579	109,144
Interest Earnings Transfer (est.)	250	-250
Due State Hwy. Fund for FY 1982 Exp.	-657	-306
Due from FHWA for FY 1982 unpaid	11	39
Due State Highway Fund for June Maint.	-776	0
	121,551	109,442

TABLE 2: INVESTMENT EARNINGS TO FREEWAY FUND

Fiscal Year	State Highway Fund			Freeway Const. Fund			State Freeway Fund		
	Avg. Annual Balance (\$1,000)	Investment Percent	Yield (\$1,000)	Funds (\$1,000)	Investment Percent	Yield (\$1,000)	Funds (\$1,000)	Investment Percent	Yield (\$1,000)
1983	36,380*	9.5%	3,456	96,868	9.0%	8,718	120,407	8.5%	10,235
1984	39,177*	8.5%	3,330	67,419	8.5%	5,731	104,773	8.0%	8,382
1985	20,000	8.0%	1,600	30,851	7.5%	2,314	63,115	7.5%	4,734
1986	20,000	7.5%	1,500	7,286	7.5%	546	29,404	7.5%	2,205
1987	20,000	7.5%	1,500	1,197	7.5%	90	15,641	7.5%	1,173
1988	20,000	7.5%	1,500	-	-	-	14,878	7.5%	1,116
1989	20,000	7.5%	1,500	-	-	-	13,798	7.5%	1,035
1990	20,000	7.5%	1,500	-	-	-	12,626	7.5%	947
1991	20,000	7.0%	1,400	-	-	-	11,288	7.0%	790
1992	20,000	7.0%	1,400	-	-	-	9,710	7.0%	680
1993	20,000	7.0%	1,400	-	-	-	7,980	7.0%	559
1994	20,000	7.0%	1,400	-	-	-	6,082	7.0%	426
1995	20,000	7.0%	1,400	-	-	-	3,998	7.0%	280
1996	20,000	7.0%	1,400	-	-	-	3,953	7.0%	277
1997	20,000	7.0%	1,400	-	-	-	6,089	7.0%	426
1998	20,000	7.0%	1,400	-	-	-	9,968	7.0%	698
1999	20,000	7.0%	1,400	-	-	-	15,739	7.0%	1,102
2000	20,000	7.0%	1,400	-	-	-	21,904	7.0%	1,533
2001	20,000	7.0%	1,400	-	-	-	28,488	6.5%	1,852
2002	20,000	7.0%	1,400	-	-	-	39,545	6.5%	2,570
2003	20,000	7.0%	1,400	-	-	-	56,860	6.5%	3,696
2004	20,000	7.0%	1,400	-	-	-	78,035	6.5%	5,072
2005	20,000	7.0%	1,400	-	-	-	101,983	6.5%	8,029

\*Based on budget level "B"

TABLE 3  
FEDERAL AID (PE, R/W, BR & \$21 MILLION THRU FY 1983;  
MAXIMUM PRIMARY & BR STARTING IN FY 1984)

Fiscal Year	Project Payouts (\$1,000)	Uncollected on PE & RW (\$1,000)	Federal-Aid Project Payouts (\$1,000)	Total (\$1,000)	Net Project Payouts (\$1,000)
Freeway Construction Fund					
1983	39,795*	3,535	12,153	15,688	24,107*
1984	53,074*	3,534	14,748	18,282	34,792*
1985	45,161	0	6,807	6,807	38,344
1986	10,724	0	1,939	1,939	8,785
1987	4,984	0	1,590	1,590	3,394
Totals	153,728	7,069	37,237	44,306	109,422
State Freeway Fund					
1983	2,355	0	1,513	1,513	842
1984	3,972	0	3,060	3,060	912
1985	2,511	0	1,894	1,894	617
1986	101	0	76	76	25
1987	1,915	0	1,436	1,436	479
Totals	10,854	0	7,979	7,979	2,875
Grand Totals	164,582	7,069	45,216	52,285	112,297

\*Corrected by shifting \$302,000 from FY 1983 to FY 1984

Table 4

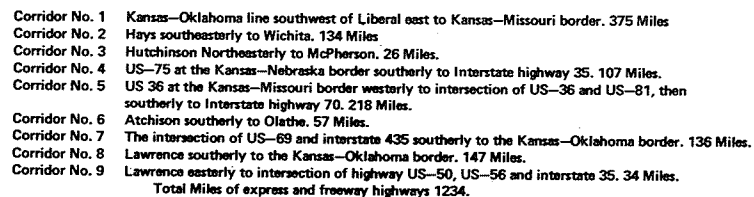
FREEWAY CONSTRUCTION FUND  
CASH TRANSACTIONS

	Beginning Balance (Table 1)	Net Project Payouts (Table 3)	Ending Balance
FY 1983	\$109,422	\$24,107	\$83,315
FY 1984	83,315	34,792	50,523
FY 1985	50,523	38,344	12,179
FY 1986	12,179	8,785	3,394
FY 1987	3,394	3,394	--

TABLE 5  
FREEWAY FUND CASH TRANSACTIONS  
(Thousands of Dollars)

Fiscal Year	Revenues		Expenditures						Ending Balance
	Beginning Balance (Table 1)	Investment Earnings (Table 2)	Motor Fuel Receipts	Debt Service	Financial Costs	Net Project Payouts (Table 3)	Maintenance Costs	Highway Fund Transfer	
1983	121,551	22,409	17,399	21,163	150	842	6,707	-	132,497
1984	132,497	17,443	17,513	21,165	150	912	6,795	50,000	88,431
1985	88,431	8,648	17,513	21,157	150	617	7,135	40,000	45,533
1986	45,533	4,251	17,513	21,151	150	25	7,492	20,000	18,479
1987	18,479	2,763	17,513	21,151	150	479	-	-	16,975
1988	16,975	2,616	17,513	21,133	75	-	-	-	15,896
1989	15,896	2,535	17,513	21,134	75	-	-	-	14,735
1990	14,735	2,447	17,513	21,157	75	-	-	-	13,463
1991	13,463	2,190	17,513	21,188	75	-	-	-	11,903
1992	11,903	2,080	17,513	21,225	75	-	-	-	10,196
1993	10,196	1,959	17,513	21,270	75	-	-	-	8,323
1994	8,323	1,826	17,513	21,321	75	-	-	-	6,266
1995	6,266	1,680	17,513	21,375	75	-	-	-	4,009
1996	4,009	1,677	17,513	16,950	75	-	-	-	6,174
1997	6,174	1,826	17,513	17,009	75	-	-	-	8,429
1998	8,429	2,098	17,513	13,760	75	-	-	-	14,205
1999	14,205	2,502	17,513	13,771	75	-	-	-	20,374
2000	20,374	2,933	17,513	13,779	75	-	-	-	26,966
2001	26,966	3,252	17,513	13,795	75	-	-	-	33,861
2002	33,861	3,970	17,513	5,470	75	-	-	-	49,799
2003	49,799	5,096	17,513	2,717	75	-	-	-	69,616
2004	69,616	6,472	17,513	-	75	-	-	-	93,526

STATE SYSTEM OF EXPRESS HIGHWAYS AND FREEWAYS  
AS ESTABLISHED AND DESCRIBED BY K. S. A. 68-2301



**26 MILES** EXPRESS HIGHWAY  
AND  
FREEWAY SYSTEM

INTERSTATE SYSTEM

TURNPIKE

# ANNUAL REPORT OF THE STATUS OF THE STATE SYSTEM OF EXPRESS HIGHWAYS AND FREEWAYS

*“(3) the proposed allocation and expenditure of moneys in the state freeway fund during the current and ensuing fiscal years;”*

## Projects Programmed for Fiscal Year 1983

Corridor	Route	County	Section Description	Length (Miles)	Type of Project	Estimated Cost* (\$1,000)	Letting Date
1(1)	US-54	FO	CA-FO Co. Line, east to east C.L. of Bucklin (3R)	18.1	Overlay	717	
1(1)	US-54	KW	FO-KW Co. Line, east to east C.L. of Greensburg (3R)	15.7	Overlay	657	
1(2)	US-54	BU	1.0 mi. east of Jct. US-77 in Augusta, east to 0.4 mi. east of Jct. K-96	7.6	Gr. Br.	8,093	8-19-82
5	US-36	DP	1.6 mi. southeast of Wathena, east to 0.7 mi. west of the Missouri River Bridge (Stage I)	2.4	Gr. Br. Su.	6,372	9-16-82
5	US-36	DP	Southeast City Limit of Wathena, southeast 1.6 mi.	1.6	Gr. Br. Su.	4,303	9-16-82
5(1)	US-36	DP	Southeast edge of Wathena	-	RR Prot.	95	11-12-82
6	K-7	JO	0.5 mi. north of North Jct. K-10, north to south end of the Kansas River bridge	2.6	Gr. Br.	2,630	10-21-82
6	K-7	WY	Kansas River bridge, south of Bonner Springs	0.4	Br. Substr.	3,681	9-16-82
6	K-7	WY	North end of Kansas River Bridge, north to Kansas Turnpike	2.8	Gr.Br.Su.Sg.Lt.	12,985	
7(3)	US-69	BB	North Jct. US-54 at Fort Scott, north to BB-LN Co. Line (State I)	-	Brs.	715	
7	US-69	LN	BB-LN Co. Line, north to 0.7 mi. north of Jct. K-239 (Stage I)	-	Brs.	620	
8(4)	US-169	NO	South of Earlton, north to Jct. K-39 near Chanute (6.2 miles of 2-lane, 2.0 mi. of 4-Lane)	8.2	Gr. Br.	6,904	7-29-82
				-	Brs.	1,358	11-18-82
				-	Brs.	575	
8(4)	US-169	NO	Jct. K-39 near Chanute, north to NO-AL Co. Line	3.5	Gr. Br.	4,421	7-29-82
				-	Brs.	1,060	
8	US-169	NO	Neosho River bridge at the NO-AL Co. Line	-	Bridge	2,241	11-18-82
8(4)	US-169	AL	NO-AL Co. Line, north to 1.9 miles South of FAS 2 Southeast of Humboldt	5.2	Gr. Br.	4,360	11-18-82
				-	Brs.	1,250	
8(1)	US-59	FR	In Ottawa, AT & SR RR Br end approaches (3R)	0.7	Gr.Br.Su.	2,317	12-16-82
ALL	ALL	ALL	Preliminary Engineering for Traffic Analysis	-	PE	5	
<p style="text-align: center;">Total FY 1983</p> <p>(1) This project has been added to the program since last year's report</p> <p>(2) Part of the bridges on this project have been delayed until FY 1984 since last year's report.</p> <p>(3) Part of the bridges on this project were let in FY 1982 instead of FY 1983 as listed in last year's report.</p> <p>(4) In Section (3) of last year's report, this project was included in the FY 1982 listing.</p>						65,359	

\*Includes Preliminary Engineering, Right-of-Way and Construction Engineering



# ANNUAL REPORT OF THE STATUS OF THE STATE SYSTEM OF EXPRESS HIGHWAYS AND FREEWAYS

“(3) the proposed allocation and expenditure of moneys in the state freeway fund during the current and ensuing fiscal years;”

## Projects Programmed for Fiscal Year 1984

Corridor	Route	County	Section Description	Length (Miles)	Type of Project	Estimated Cost* (\$1,000)	Letting Date
1(1)	US-54	86	1.0 mi. east of Jct. US-77 in Augusta, east to 0.4 mi. east of K-96	—	Br.	2,450	
1	US-54	BU	1.0 mi. east of Jct. US-77 in Augusta, east to 0.4 mi. east of Jct. K-96	7.6	Su. Sg.	8,730	
1	K-96	BU	0.4 mi. east of Jct. K-96, east 1.8 mi. on existing K-96	1.8	Gr. Su.	660	
5	US-36	DP	Missouri River Crossing at Elwood (Kansas portion demolition and removal of existing bridge)	0.3	Br. Demol.	235	
5(2)	US-36	DP	East edge of Troy, east and south to the southeast city limit of Wathena	8.8	Overlay & shldrs.	2,770	
5(3)	US-81	OT	Jct. K-41, North to OT-CD Co. Line (3R)	2.0	Overlay	453	
5(3)	US-81	CD	OT-CD Co. Line, north to Jct. US-24 (3R)	4.0	Overlay	906	
6(2)	K-7	JO	New South Jct. K-10, north to 0.5 mi. north of North Jct. K-10	5.2	Su.Sg.Lt.	8,040	
6	K-7	JO	0.5 mi. north of North Jct. K-10, north to south end of Kansas River bridge	2.6	Su.Sg.Lt.	4,190	
6	K-7	WY	Kansas River Bridge, south of Bonner Springs	0.4	Br. Superstr.	6,285	
6(3)	US-73	LV	Leavenworth, NW to LV-AT Co. Line (3R)	11.7	Overlay	523	
6(3)	US-73	AT	LV-AT Co. Line, north 3.7 mi (3R)	3.3	Overlay	148	
6(3)	US-73	AT	Atchison south (3R)	6.0	Overlay	143	
7(2)	US-69	BB	North Jct. US-54 at Fort Scott, north to BB-LN Co. Line (Stage I)	13.1	Su. Sg.	8,640	
7(2)	US-69	LN	BB-LN Co. Line, north to 0.7 mi. north of Jct. K-239 (Stage I)	2.7	Su. Sg.	1,670	
8	US-169	NO	South of Earlton, north to Jct. K-39 near Chanute (6.2 mi. of 2-lane, 2.0 mi. of 4-lane)	8.2	Su. Sg.	6,170	
8	US-169	NO	Jct. K-39 near Chanute, north to NO-AL Co. Line	3.5	Su. Sg.	2,765	
8	US-169	AL	NO-AL Co. Line, north to 1.9 mi. south of FAS 2, southeast of Humboldt	5.2	Su. Sg.	3,745	
ALL	ALL	ALL	Preliminary Engineering for Traffic Analysis	—	PE	5	
Total FY 1984						58,528	
<p>(1) In Section (3) of last year's report, these bridges were included in a Gr. Br. project in the 1983 listing.</p> <p>(2) In Section (3) of last year's report, this project was included in the FY 1983 listing.</p> <p>(3) This project has been added to the program since last year's report.</p>							

\*Includes Preliminary Engineering, Right-of-Way and Construction Engineering

# ANNUAL REPORT OF THE STATUS OF THE STATE SYSTEM OF EXPRESS HIGHWAYS AND FREEWAYS

“(3) the proposed allocation and expenditure of moneys in the state freeway fund during the current and ensuing fiscal years;”

## Projects Programmed for Fiscal Year 1985

Corridor	Route	County	Section Description	Length (Miles)	Type of Project	Estimated Cost* (\$1,000)	Letting Date
1 ALL	US-54 ALL	SG ALL	In Wichita, From I-235, east to K-42 (Including West St. Interchange)	1.5 —	Gr.Br.Su.Sg.Lt. PE	10,280	
			Preliminary Engineering for Traffic Analysis			1	
			Total FY 1985			10,281	

\*Includes Preliminary Engineering, Right-of-Way and Construction Engineering

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## Projects Programmed for Fiscal Year 1986

Corridor	Route	County	Section Description	Length (Miles)	Type of Project	Estimated Cost* (\$1,000)	Letting Date
5(1)	US-36	MS	From end of 4-L, East 7.0 mi. except thru Marysville (3R)	7.0	Overlay	2,021	
6	K-7	WY	Existing Kansas River Bridge, south of Bonner Springs	—	Br. widen & rp.	4,930	
ALL	ALL	ALL	Preliminary Engineering for Traffic Analysis	—	PE	<u>1</u>	
			<b>Total FY 1986</b>			<b>6,952</b>	
			(1) This project has been added to the program since last year's report.				

\*Includes Preliminary Engineering, Right-of-Way and Construction Engineering

STATEWIDE INVENTORY  
OF EXCESS RIGHT OF WAY  
January 17, 1983

Prepared by The  
Bureau of Right of Way  
Kansas Department of Transportation

AH E 1-31-83

KANSAS DEPARTMENT OF TRANSPORTATION  
STATEWIDE INVENTORY OF EXCESS RIGHT OF WAY

January 17, 1983

INTRODUCTION

The purpose of this study was to identify saleable and releasable excess right of way under the jurisdiction of the Kansas Department of Transportation. The information from the study has been compiled in a statewide inventory of excess right of way. This memorandum describes the study's findings, the methodology and criteria used to determine which right of way is excess, and the procedure for releasing excess right of way.

The inventory is available upon request.

STUDY FINDINGS

The statewide inventory identified 5,152 locations as excess and, therefore, appropriate for disposal.

The total locations listed for disposal include: (1) 1,788 locations containing a total of 5,940 acres that were acquired as highway right of way, and (2) 3,364 locations containing a total of 11,061 acres that were acquired as permanent easements for channel and borrow.

INVENTORY PROCEDURE AND CLASSIFICATION

The data for the inventory was gathered by the district engineers for their respective districts. The inventory includes all state routes in Kansas.

Area engineers reviewed the plans for each specific road section and then field-checked each mile of state-designated highway. Using the criteria listed below, the areas identified as excess were noted. These areas were classified by the district engineers into eight categories:

1. Dispose by sale.
2. Retain for current or potential use for highway purposes.
3. Lease for planting and harvesting of grass or legume crops.
4. Release or consider retention for wildlife habitat or conservation.
5. Suitable for recreational or park purposes.
6. Retain for erosion control.
7. Possible lease for exploration of oil, gas or other minerals.
8. Other.

Category number one - dispose by sale - is the area of most concern. The primary criterion used to identify land in this category was the following:

Right of way, uneconomic remnants and permanent easements located beyond a standard design right of way width not needed for drainage, borrow, utilities or the operation of the highway facility are excess right of way. Typically, this boundary lies approximately 15 feet beyond the back-slope of the ditch or the toe of the embankment.

Right of way locations within the above area boundaries, but which are needed for beautification, conservation, park or recreational purposes, erosion control, or current and potential use for highway purposes were listed to be retained.

It should be noted that right of way listed as excess is potentially excess. There is still the possibility that during final review prior to disposal it may be determined that some tracts should be retained for highway purposes, but the department believes that this will only occur in a few cases.

#### ANALYSIS OF DATA

A considerable portion of the excess areas identified during the inventory was originally acquired as permanent easements for borrow. Most of these areas are outside the normal right of way corridor. There is also a considerable amount of excess right of way of irregular configuration that, in most cases, is outside the normal right of way corridor. Only a small number of long, narrow strips of right of way were identified as potentially excess.

Areas of wide right of way at locations where there are two parallel roadbeds, but where only the new roadbed is in use, were listed in the inventory report. A majority of this right of way is located in Districts II and III along US-36 and US-24. This right of way, when not needed for drainage and utilities, was listed as excess right of way.

Right of way for the approximately 61 miles of two-lane pavement on the state freeway system was acquired for four-lane construction. Construction of the additional lanes may occur as traffic volumes warrant and as funding allows. The right of way available for the possible future construction of the additional lanes on these sections was therefore recommended to be retained.

Most excess right of way and permanent easements suitable for harvesting of grass were generally given multiple classifications. In these cases, the disposal classification was given first priority. Crop harvest on right of way recommended for retention because it is needed for highway purposes will be encouraged. Since 1979, KDOT has allowed the harvesting of grass from the right of way on a permit basis. This program has been favorably accepted, and the number of permits issued has ranged from 475 in 1979 to a high of 690 in 1981. In 1978, prior to the start of the program, only 13 permits were issued.

#### RELEASE OF EXCESS RIGHT OF WAY

The release and sale of excess right of way are coordinated by the Bureau of Right of Way and are handled in addition to its normally assigned tasks of acquiring right of way for the Department's construction program. The equivalent of three to five full-time Bureau of Right of Way personnel will be committed to the release of the excess right of way listed in this inventory.

The release of right of way will be in accordance with provisions of K.S.A. 68-413, revised July 1, 1981. Sale of KDOT interests will be either by public auction or, when public auction is not appropriate, sold in the manner deemed most expedient by the Secretary. In most cases, the excess areas can only be sold to the owners of the land adjacent to the highway right of way. Since KDOT will be initiating the release, the owners will need to be located to determine their interest in acquiring the excess right of way. In many cases, the ground has been used by the adjacent landowner for years or has sat idle, and he or she may, therefore, not be receptive to paying the appraisal value.

The following steps will be taken to dispose of each excess right of way location.



1. Determination is made as to the type of title held by KDOT.
  - a. Fee title.
  - b. Easement.
2. KDOT engineering sections and governmental entities are queried for recommendations regarding future need.
  - a. Bureaus of Design, Construction and Maintenance, Planning, and Traffic Engineering.
  - b. City or county, when appropriate.
  - c. Federal Highway Administration, when appropriate.
3. Bureau of Right of Way prepares legal description and quitclaim deed.
4. District Engineer stakes property boundary.

When a private sale is determined to be appropriate, the following steps are taken.

1. Property is appraised.
2. Property owner is contacted.

When a public sale is determined to be appropriate, the following steps need to be accomplished.

1. Property is appraised.
2. Sale is advertised in the newspaper for three consecutive weeks.
3. Arrangements are completed for the auctioneer.
4. Land is sold to the highest bidder at not less than two-thirds the appraised price.

Over the last 5 years, the Bureau of Right of Way has disposed of approximately 954 acres of excess right of way and easements. During this period and prior to July 1, 1981, only land for which KDOT held fee title

could be sold. Consequently, only 183 acres of the total 954 acres were sold; the remaining 771 acres were returned to the adjacent landowner with no compensation. The department received \$242,250 for tracts sold.

KDOT occasionally receives requests for excess right of way from local units of government to use for public purposes. In these cases, it is our policy to convey title for the excess right of way without remuneration.

Most of the above transactions were initiated by citizens that expressed an interest in acquiring a portion of the right of way. Included were several large dollar amount sales in the metropolitan area of Kansas City. There were many other smaller sales and releases.

Total Number of Tracts Released by Year

1978	-	22
1979	-	24
1980	-	24
1981	-	40
1982	-	108

With increased public interest and completion of the inventory, it is believed that the number of tracts released will continue to increase each year.

POLICY OF ISSUING QUITCLAIM DEEDS FOR STATE  
HIGHWAYS RETURNED TO COUNTY AUTHORITY

The state highway system is made up of right of way that was acquired by counties and right of way that more recently was acquired by the state. Over the life of the state highway system, there have been 698 resolutions transferring former state roads to county authority.

A significant change between our present and past policy when returning a road to local authority is the conveyance of the old right of way by deed or disclaimer. This new procedure was incorporated into the policy statement (S.O.M. 3230.00/01, April 1981) because the previous policy of not preparing deeds or disclaimers left ownership of the right of way unclear and exposed KDOT to lawsuits arising from occurrences on roads where KDOT remained the owner of record but no longer had responsibility for the operation or maintenance of the road.

In cases of an existing state highway being relocated, the old road is now returned to county authority by resolution and, in the future, will be accompanied by a deed or disclaimer. As time permits, the Bureau of Right of Way will be following up these former actions with deeds. This task will be a major undertaking.

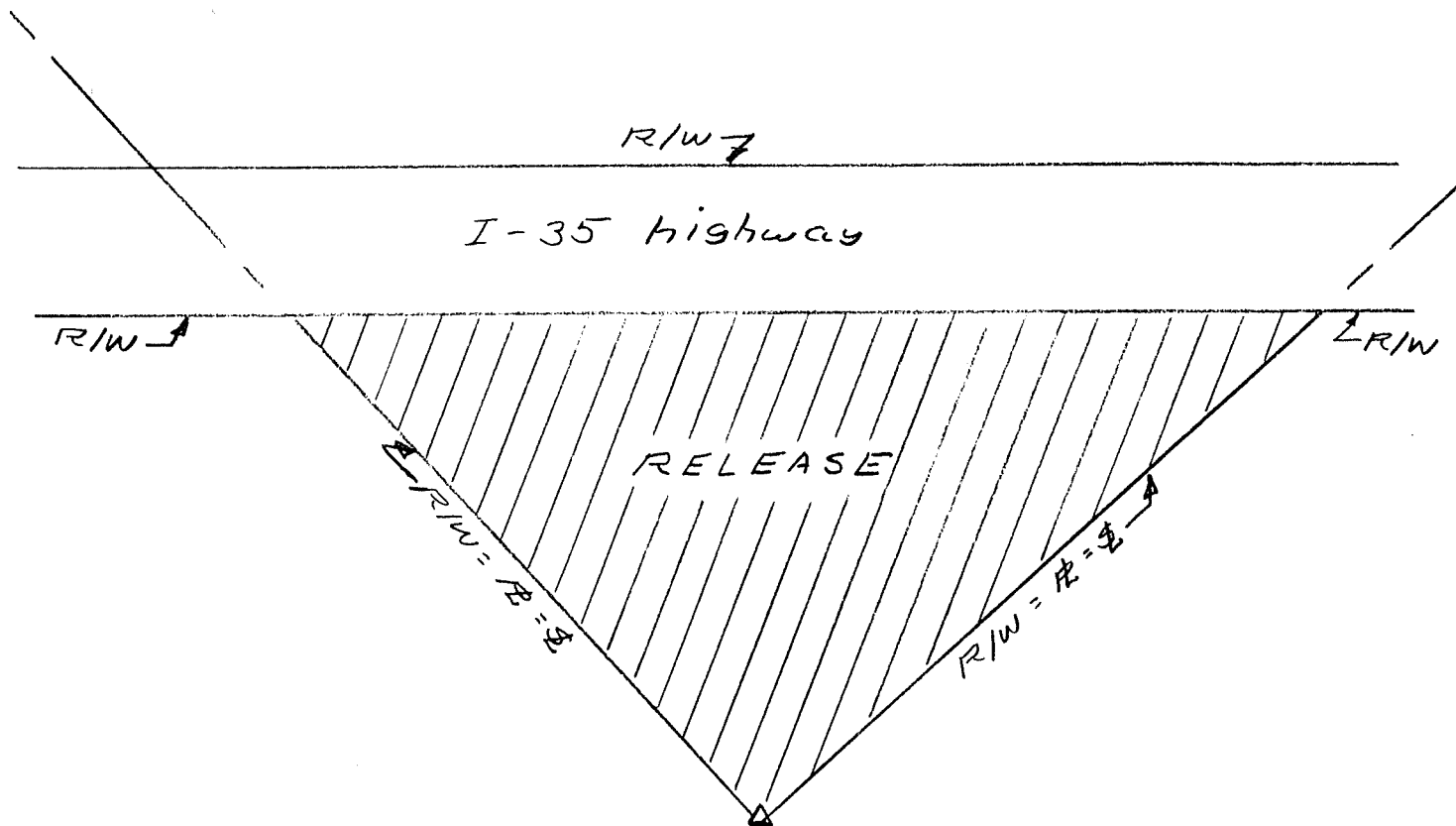
#### ATTACHMENTS

Attachment A: Case Studies. Attachment A is a set of drawings showing right of way sections and easements and the Department's recommendation regarding their release. They provide a visual illustration of the variety of types of right of way and easements in which the Department has an interest. The drawings are of actual cases listed in the inventory. The symbol H means property line and S means section line. They are drawn to approximate scale.

Attachment B: Classification of Property. This attachment lists right of way and easements as they were classified by the districts. For the purpose of the inventory, all multiple classifications which include a dispose by sale classification are listed as appropriate for sale, regardless of the other classifications listed for that location.

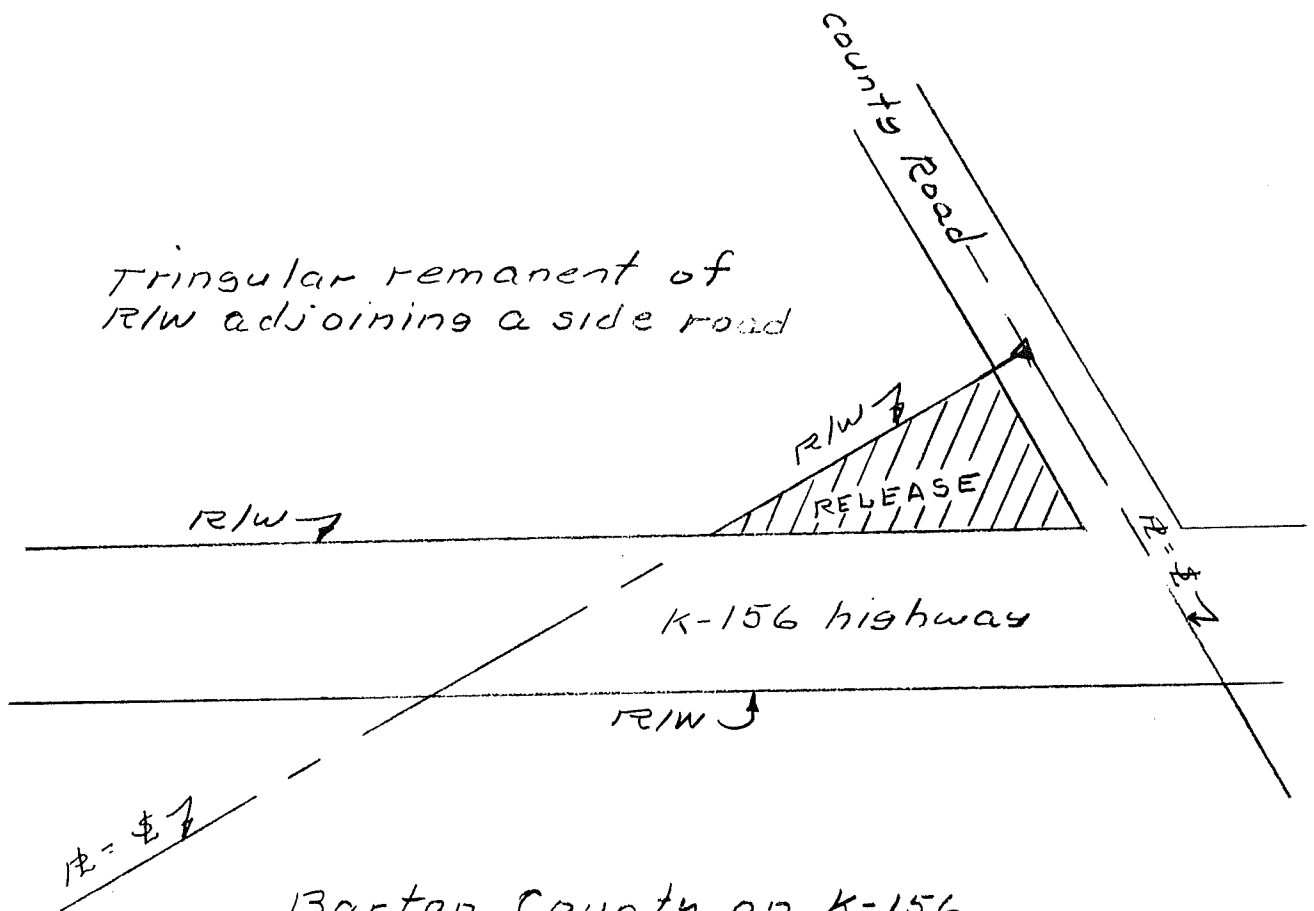
ATTACHMENT A: CASE STUDIES

Triangular remanent of R/W



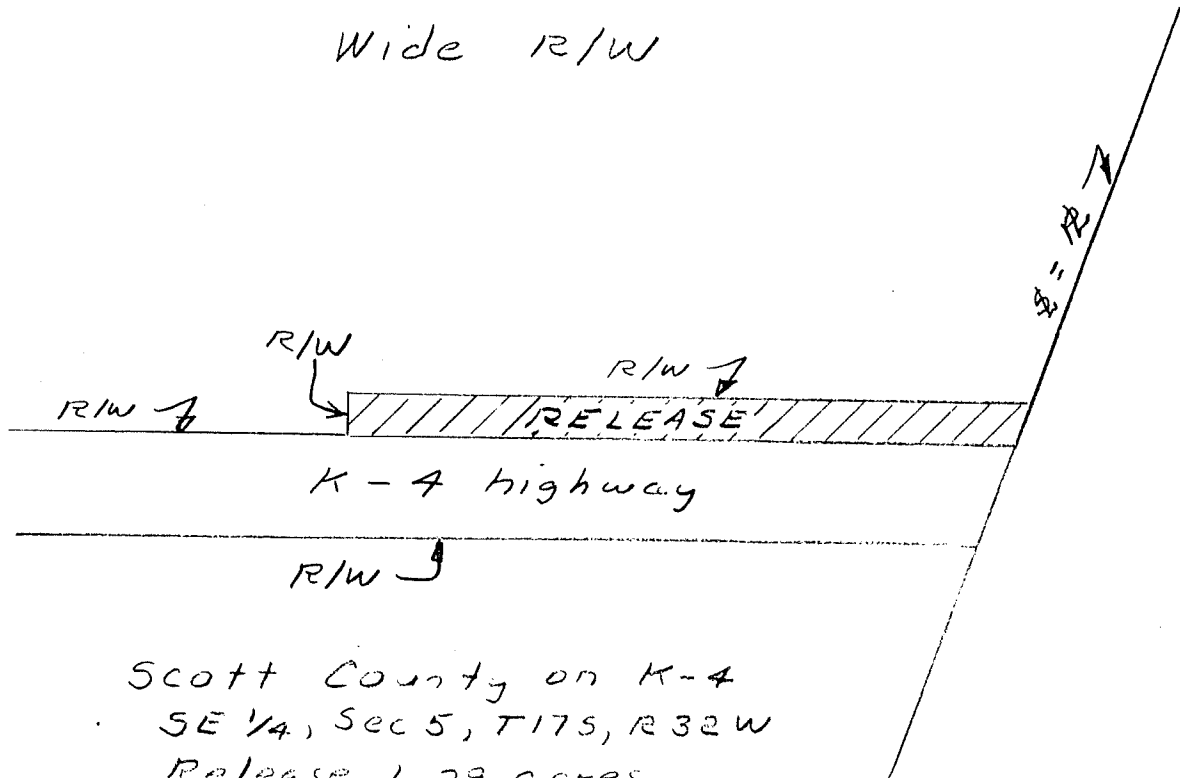
Franklin County on I-35  
NW 1/4, Sec. 21, T16 S, R 20 E  
Release 17.0 acres of R/W

C/A 116



Barton County on K-156  
NW 1/4, Sec. 20, T18S, R11W  
Release 0.71 acres of R/W.

Wide R/W



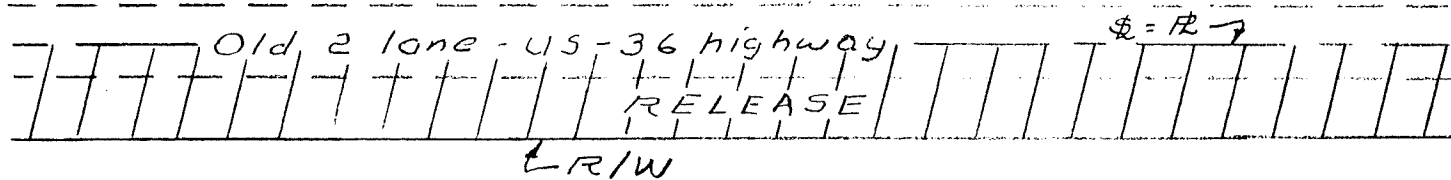
Scott County on K-4  
SE 1/4, Sec 5, T17S, R32W  
Release 1.29 acres  
of R/W.

C/A 7929

Wide R/W

R/W →

Present 2 lane US-36 highway



Decatur County on US-36

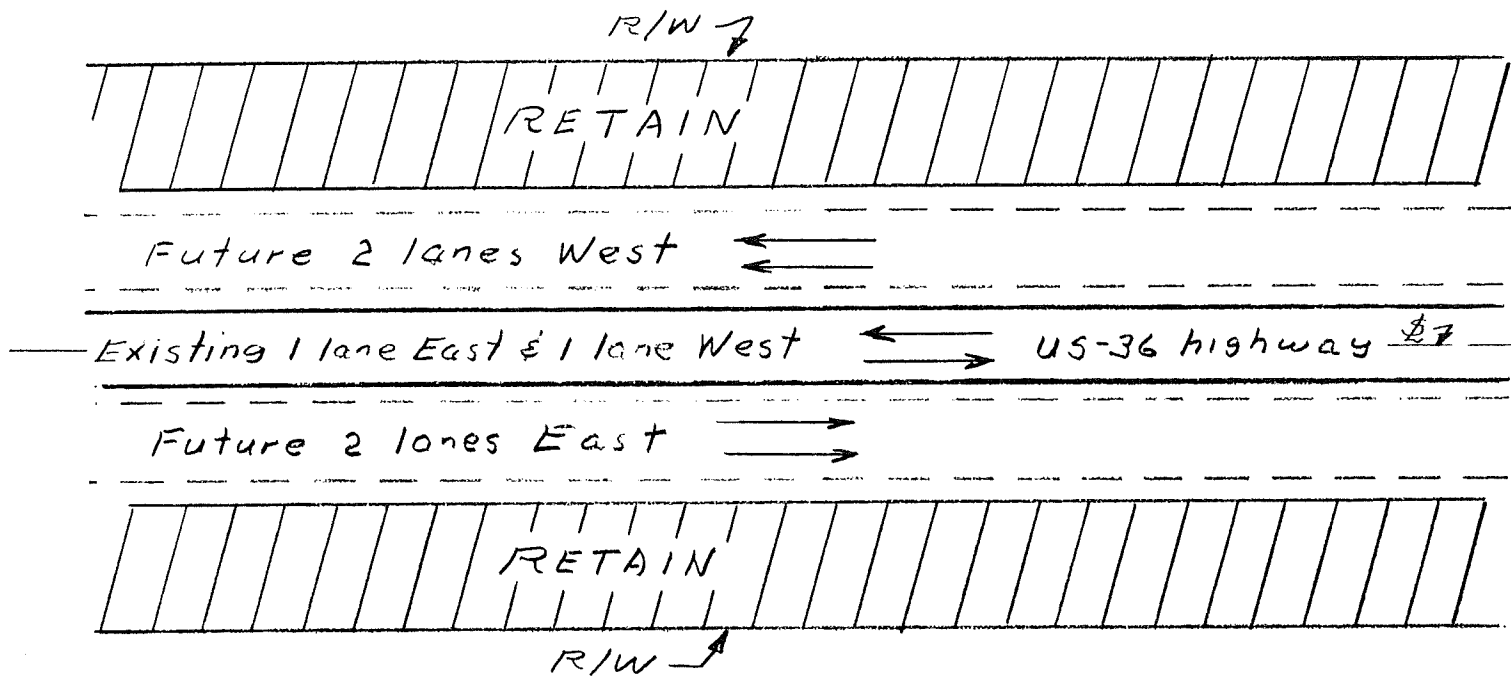
NW 1/4, Sec. 2, T35, R30W

Release 5.96 acres of R/W

C/A 7220



Wide R/W

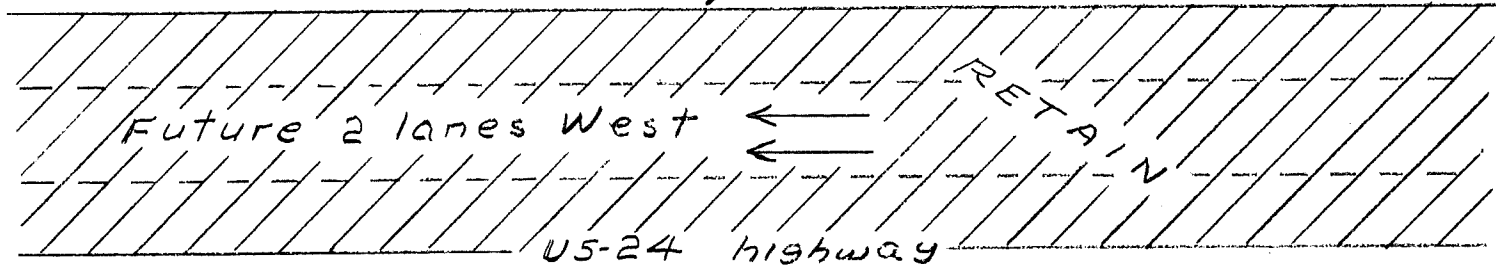


Doniphan County on US-36  
SW $\frac{1}{4}$ , Sec. 29, T2S, R19E & NW $\frac{1}{4}$ , Sec. 32, T2S, R19E  
Retain 31.6 acres of R/W

C/A 1335

Wide R/W

R/W ↘



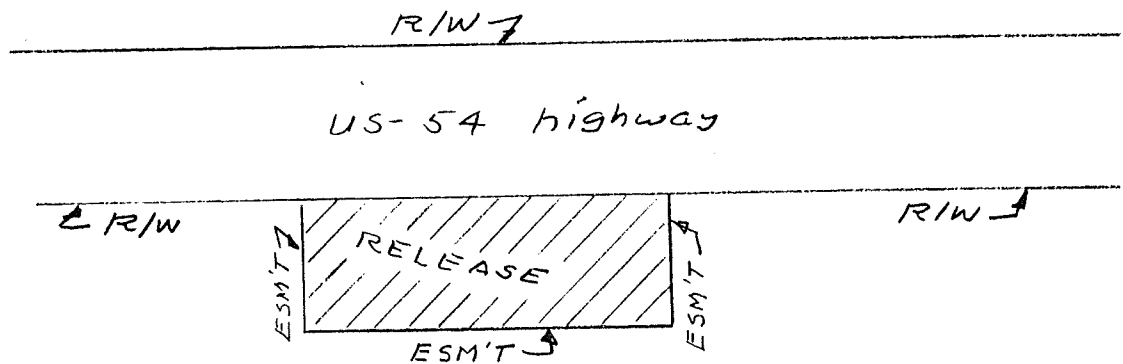
Existing 1 lane East & 1 lane West ← →

R/W ↘

Leavenworth County on US-24  
Beginning at Tonganoxie, thence East 7 miles.  
Retain 95 acres of R/W

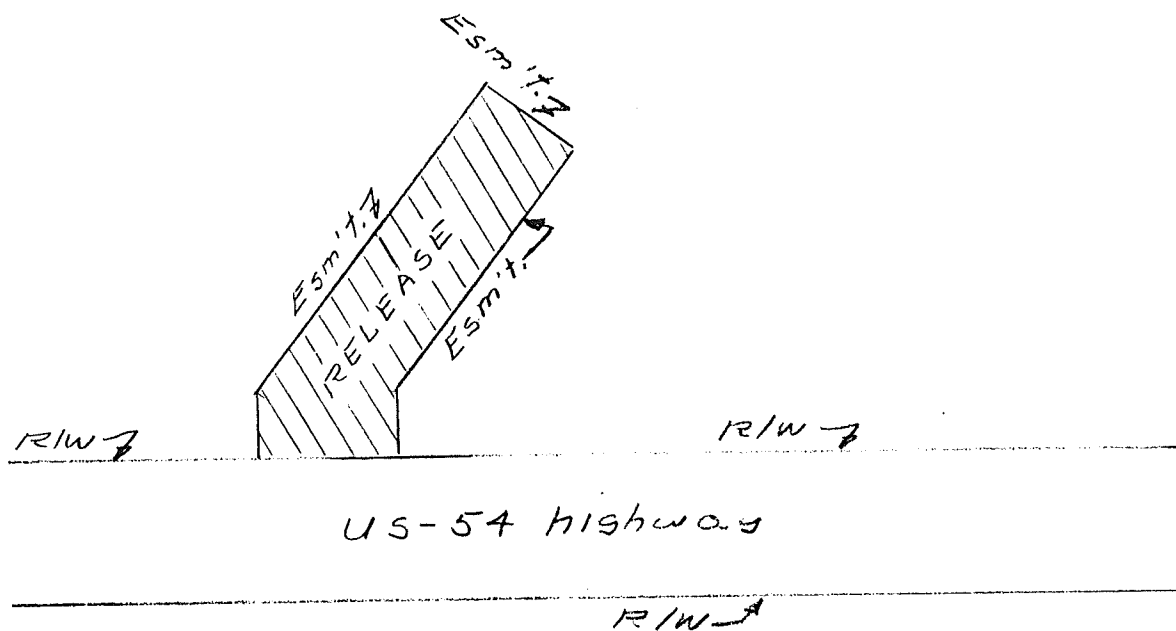
C/A 7436

## Borrow Easement



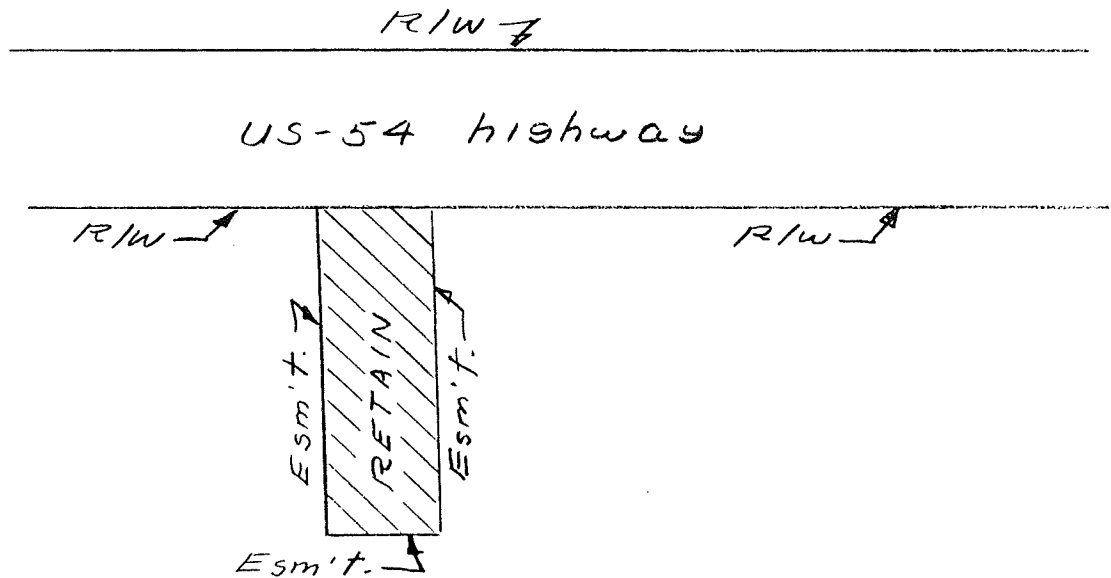
Mead County on US-54  
SW 1/4, Sec. 34, T30S, R26W  
Release 1.60 acres of borrow easement.

# Channel Easement



Mead County on US-54  
SW 1/4, Sec. 1, T32S, R28W  
Release 2.10 acres of channel easement

# Channel Easement



Meade County on US-54  
NW 1/4, Sec. 29, T31S, R 27W  
Retain 1.20 acres of channel change

C/A 7514

ATTACHMENT B: CLASSIFICATION OF PROPERTY

Attachment B: Classification of Property.

The right of way and easements are listed below by classification.  
They are:

1. Dispose by sale.
2. Retain for current or potential use for highway purposes.
3. Lease for planting and harvesting of grass or legume crops.
4. Release or consider retention for wildlife habitat or conservation.
5. Suitable for recreational or park purposes.
6. Retain for erosion control.
7. Possible lease for exploration of oil, gas or other minerals.
8. Other.

Right of Way and Easements by Classification

<u>Classification</u>	<u>Locations</u>	<u>Acres</u>
1	5,006	15,932.18
1 & 3	100	702.71
1 & 4	35	224.67
1 & 5	3	31.76
1 & 6	3	4.00
1 & 7	2	68.40
1 & 8	1	24.00
1, 3 & 5	1	3.30
1, 4 & 7	1	10.40
2	1,113	2,642.76
2 & 3	16	109.71
2 & 4	4	42.60
2 & 6	37	149.71
2 & 7	1	12.60
2, 3 & 6	121	483.32
2, 4 & 6	1	5.57
2, 4 & 7	1	11.00
3	32	498.92
3 & 4	3	19.32
4	237	638.17
5	2	2.00
6	142	317.55
7	1	0.25
8	45	95.46