Approved	4-29-89	
pp.0.0a	Date	

MINUTES OF THE SENATE COMMITTEE ON TRANSP	PORTATION AND UTILITIES
The meeting was called to order bySen. Bill Morris	at
9:02 a.m./pxmxon March 23	, 19 <u>89</u> in room <u>254-E</u> of the Capitol.
*	, 1000 m 100m 201 m or the Capiton
All members were present *** .	

## Committee staff present:

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

Conferees appearing before the committee:

Horace Edwards, Secretary, Department of Transportation
Judy Runnels, Economic Lifelines
Patrick Hurley, Kansas Good Roads Association and Economic Lifelines
Michael F. O'Keefe, Director of the Budget
Craig Grant, Kansas-National Education Association
Mary Turkington, Kansas Motor Carriers Association
Ed DeSoignie, Kansas Contractors Association
Ernie Mosher, League of Kansas Municipalities
Ed Bruske, Kansas Chamber of Commerce and Industry
James Dobbins, Goff, Kansas
Paul E. Fleener, Kansas Farm Bureau

Horace Edwards, Secretary, Department of Transportation, distributed a mattrix of the highway plan and the alternative methods of financing. A copy of the mattrix (Attachment 1) and definitions of the program terms in HB 2014 is attached. (Attachment 2). As he discussed the program he also had the following handouts:

Map of Priority Range in non-interstate roadway section in H.B. 2014. (Attachment 3).

Map of Priority Range in H.B. 2014 as passed by House. (Attachment 4).

Presentation to the Senate Transportation Committee on System Enhancement Criteria dated 3-23-89. (Attachment 5).

Possible system enhancement candidate projects. (Attachment 6).

Map of Kansas City Metropolitan Area Map showing congested highways in the Year 2010 and the long range street and highway capacity

improvement recommendations for Year 2010. (Attachment 7).

Memo to Senate Transportation and Utilities Committee in re HB 2014, as amended by House Committee of the Whole from KDOT dated 3-23-89. (Attachment 8).

Judy Runnels, Economic Lifelines, said they represent a broad based coalition and in the interest of time she would not speak but introduced the next speaker.

Pat Hurley, Economic Lifelines, said he represents a coalition of the broadest based group of interested parties that has ever been formed in support of a comprehensive highway program. He said the House version cuts the program by about three-fourths and urged the committee to restore funding in some responsible manner. He recommended they look at the sales tax component and bonding. What they have now is only an adequate maintenance program. He discussed S.B. 380 which has their support and would divide a sales tax increase between the schools and the highway program. He said H.B. 2014 does not go far enough and

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

Page \_1\_ of \_2\_

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES,
room 254-E, Statehouse, at 9:02 a.m./2008 on March 23, 1989.

urged support of both H.B. 2014 and S.B. 380. A copy of his presentation is attached. (Attachment 9).

Michael F. O'Keefe, Director of the Budget, said he would oppose the increase in State General Fund support for the highways above that recommended by the Governor. It departs from user funding and he does not believe it is affordable. A copy of his statement is attached. (Attachment 10).

Craig Grant, KNEA, said they support the concept of S.B. 380 which increases funding for schools. The bill would guarantee that all districts will benefit and would allow for stability in the school funding during the next few years. A copy of his statement is attached. (Attachment 11).

Mary Turkington, Kansas Motor Carriers Association, said the results from the interim committee was probably the fairest and most equitable program for highways that has ever been submitted. All groups have been included in planning this legislation and this is a "window of opportunity" for this state to address the highway problems. Her industry supports the highway program even though it will raise rates higher for their industry than in the neighboring states. A copy of her statement including a Comparison of Motor Vehicle Registration Fees and Motor Fuel Taxes of Surrounding States as of January 1, 1990 is attached. (Attachment 12).

Ed DeSoignie, Kansas Contractors Association, said the Kansas construction industry stands ready to handle an expanded highway program at such time as the legislature enacts a highway program. They support the Economic Lifelines funding package. A statement is attached. (Attachment 13).

Ernie Mosher, League of Kansas Municipalities, said they support the highway program. A copy of his statement is attached. (Attachment 14).

 $\underline{\text{Ed Bruske,}}$  KCCI, said the majority of KCCI members are aware that the Kansas highway system is the responsibility of all Kansans whether they drive or not and they support the program. A copy of his statement is attached. (Attachment 15).

James Dobbins, Goff, said large trucks are doing the most damage to the highways and they should pay more for the roads. The general public should not be made to subsidize the trucking industry, as is presently being done. He supports increased registration fees for large trucks. A copy of his statement is attached. (Attachment 16).

Paul Fleener, Kansas Farm Bureau, said they support a comprehensive highway program but felt there must be a more equitable distribution formula for local units of government. The formula should give major weight to miles of road that a county must maintain and the number of bridges that must be maintained. A copy of his statement is attached. (Attachment 17).

Meeting was ajourned at 10:00 a.m.

# GUEST LIST

COMMITTEE: SENATE TRANSPORTATION & UTILITIES COMM. DATE: 3-23-89.

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
FOLDNO SMITH	WICHTTA	WIBA
mile que -	· Topoba	: £06T
Ton Risposasa.	LEAU ENWORTH	Doublopment Anoth
BILL R. FULLER	Manhattan	Kansas Farm Beren
Mike Lackey	KOOT	KOST
Lyndon Drew	Topelin	KOOA
HAROLD PITTS	Topalet	KCOA
Judy Rupnels	Topeka	Economic Lifelines
ED BRUSICE	TOPEKA	ICCCI.
Christy Young	Topelen	Topela Charsa
Pat Brough	Over/and Book	yellow Freight
MARY E TURKING FOR	Topeka	KS Motor CARRICES ASS
Costry Herdeman	Wiellita	City of Wichita
Herb Porter	Topeka	Cutuin
John Torbet	110	ICIO
Gerry Ray	Olathe	lo Co Connesson
Kelly Arnold	Lowerce	City of Lawerer
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## GUEST LIST

COMMITTEE: SENATE TRANSPORTATION & UTILITIES COMM. DATE: 3-23.

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Tom Whitaker	Topoxa	Va Morok Carriers Hes
Dan Rambon	Sopeka	Ks Contractors assn.
Tabrick Herley	Topeka	His Good Foxels
James Dobbins	Goff	50/6
DON LINDSEY	OSAWATOMIE	UTU
Ed De Soignie	Topeker	KS. Contractors Assoc
Craig Grant :	Topotra	K-NEA
Paul E. Fleener	Manhattan	Kaus tarm Bureau
Alterken	20-	lesso as the sale
Jan Lundord	Topelea	KTOP/KOW Radio
M. Hawer		Can-Jonus
FRANKEATON	Manhattan	SFKS Cities
George Barbee	Topoka	RS Consulting Englas
Buck Janes	Topeka	KOOT
Pam Somerville	TO, 2011A	KDOT
Jim Lupwig	TEDEK A	KPL GAS SERVICE
Rick Kready	11	" " "
Sio GRANT	7	1000
Del Miller	Topika	KAOT
Horace Edwards	//	KDOT
Ked W JAVis	11.	KDOT .
Robert Haley	, (	KDOT
Kara Coles	Topeka	K-NEA

## GUEST LIST

COMMITTEE: SENATE TRANSPORTATION & UTILITIES COMM. DATE: 3-23 COMPANY/ORGANIZATION ADDRESS NAME (PLEASE PRINT)

## Definitions of Program Terms in HB 2014

Major Modifications - Similar to 3R work (resurfacing, restoration, rehabilitation), this work preserves and extends the service life and enhances the safety of the existing highway system.

Substantial Maintenance - Also known as contract maintenance which includes such work activities as the 1R resurfacing program, minor Interstate resurfacing, KLINK 1R, minor bridge repair, bridge painting, culvert repair, emergency repair, and small safety projects. Levels of funding for substantial maintenance are defined as:

<u>Current</u>: Existing expenditure level in current year plus reasonable inflation. Over the long run would not maintain the current surface condition. Funding is such that bridge repair is very minimal and bridges could only be repainted on a 96-year cycle which is not the recommended 20-year cycle.

Adequate: Funding at a rate such that the current surface condition is maintained and <u>slightly</u> improved. Will allow for a significant increase in bridge repair funds to allow more super structure and deck repair and would put bridge painting on a 20-year cycle.

Priority Bridges - Those bridges selected for repair or replacement on the basis of their priority ranking as contrasted to those bridges which are part of a roadway section improvement project (associated work bridges).

Systems Enhancement - Additions and special projects to the state highway system which substantially improve safety, relieve congestion, improve access, or enhance economic development.

City Connecting Link - That portion of a state highway which is wholly within the city and is termed a city street. The city maintains the connecting link with KDOT reimbursing the city for maintenance based on a lane mile rate established by law. In small cities the Secretary may enter into an agreement to maintain in lieu of payments. By state law, the Secretary must maintain Interstate and Freeway Connecting Links.

Kansas Department of Transportation March 23, 1989

ATT. 1 T&U 3/23/89

	CE ALTERNATIVES	- <b>-</b>								21-Mar-89	06:55:11 PM		(MILLIONS) !:
; ====================================	KDOT - SOURCES OF FUND KDOT FUND USES												
ALTERNATIVES	MOTOR   FUEL   TAX   INCREASES	REGISTRATION FEE INCREASES	SALES TAX TRANSFER INCREASE	SALES AND COMPENSATING TAX INCREASE	BOND SALES	TOTAL	AGENCY SHORTFALL CASH NEEDS	MAJOR HODIFICATION	PROGRAM SYSTEM ENHANCEMENTS	BRIDGES	MISCELLANEOUS		INCREASE TO THE SPECIAL CITY & COUNTY FUND
	4 c 7/1/89 1 2 c 7/1/91 1 1 c 7/1/93	52% PASSENGER 30% FREIGHT	10% OF SALES TAX COLLECTIONS	1/2% 62.5% FOR HIGHWAY FUND	LATE SALE AS NEEDED 15-YEAR & 7.875%	INTEREST I ON I Funds I	MATCHING OF FEDERAL AID AND ADEQUATE MAINTENANCE FY 1990-2000	1,920 MILES	\$700 FY 1990-2000		ELDERLY'ETC \$300,000/YEAR CONNECTING LINKS TO \$2,000 PER LANE MILE FY 1990-2000	ENDING BALANCE 101 DEBT SERVICE 287	37.5% OF SALES & COMPENSATING TAX INCREASE
11-YEARS FY 1990-2000 7-YEAR LET	1,033	320	326	862	731	3,381	877	1,278	700	126	12	3,381	517
BY HOUSE	4 c 7/1/89 2 c 7/1/91 1 c 7/1/93	52% PASSENGER 30% FREIGHT	12% OF SALES TAX COLLECTIONS	1/2% TO KDOT	NO BONDS	ON FUNDS	MATCHING OF FEDERAL AID AND ADEQUATE MAINTENANCE FY 1990-2002	1,991 HILES FY 1990-2002	\$700 FY 1990-2002	FY 1990-2002	ELDERLY ETC \$390,000/YEAR CONNECTING LINKS TO \$2,000 PER LANE MILE	ENDING BALANCE 296	40.5% OF MFT INCREASE
13-YEARS FY 1990-2002 9-YEAR LET	740 (293)	90 280	639 313	1,702 840	0 (731)	3,694 313	1,208 331	1,342	700 0	132 6	FY 1990-2002 16 4	3,694 313 . 0	50 <b>4</b> (13)
: HOUSE FLOOR	4 c 7/1/69 1 c 7/1/90 1 c 7/1/91 1 c 7/1/91 1 c 7/1/92	52% PASSENGER 30% FREIGHT	12% OF SALES TAX COLLECTIONS	NONE	LATE SALE AS NEEDED 20-YEAR 8 8.00%	INTEREST ON	MATCHING OF FEDERAL AID AND ADEQUATE MAINTENANCE FY 1990-1997	1,084 MILES FY 1990-1997	\$350 FY 1990-1997	FY 1990-1997	ELDERLY ETC. \$390,000/YEAR CONNECTING LINKS TO \$2,000 PER LANE MILE	ENDING BALANCE 51 DEBT SERVICE 134	40.5% OF MFT INCREASE
8-YEARS FY 1990-1997 5-YEAR LET	444 (589)	228 (92)	350 24	0 (862)	666 (65)	1,747 (1,634)	500 (377)	639 (639)	350 (350)	63 (63)	FY 1990-1997 10 1 (2)	1,747 (1,634)	302 (215)   
HB 2014 AS AMENDED BY HOUSE	1 4 c 7/1/89 1 1 c 7/1/90 1 1 c 7/1/91 1 1 c 7/1/91	52% PASSENGER 30% FREIGHT	12% OF SALES TAX COLLECTIONS	NONE	NO BONDS	ON FUNDS	MATCHING OF FEDERAL AID AND ADEQUATE MAINTENANCE FY 1990-1997	679 MILES FY 1990-1997 (PROPORTI	\$177 FY 1990-1997 ONAL ALLOCATION	FY 1990-1997 OF \$517)	ELDERLY ETC \$390,000/YEAR CONNECTING LINKS TO \$2,000 PER LANE MILE	ENDING BALANCE 40	40.5% OF HFT INCREASE
8-YEARS FY 1990-1997 5-YEAR LET	444 (589)	227 (93)	350 24	(862)	0 (731)	1,067 (2,314)	500 (377)	307 (971)	177 (523)	33 (93)	FY 1990-1997 10 (2)	1,067 (2,314)	302 (215)

NOTE: All comparisons are with H.B. 2014 as introduced

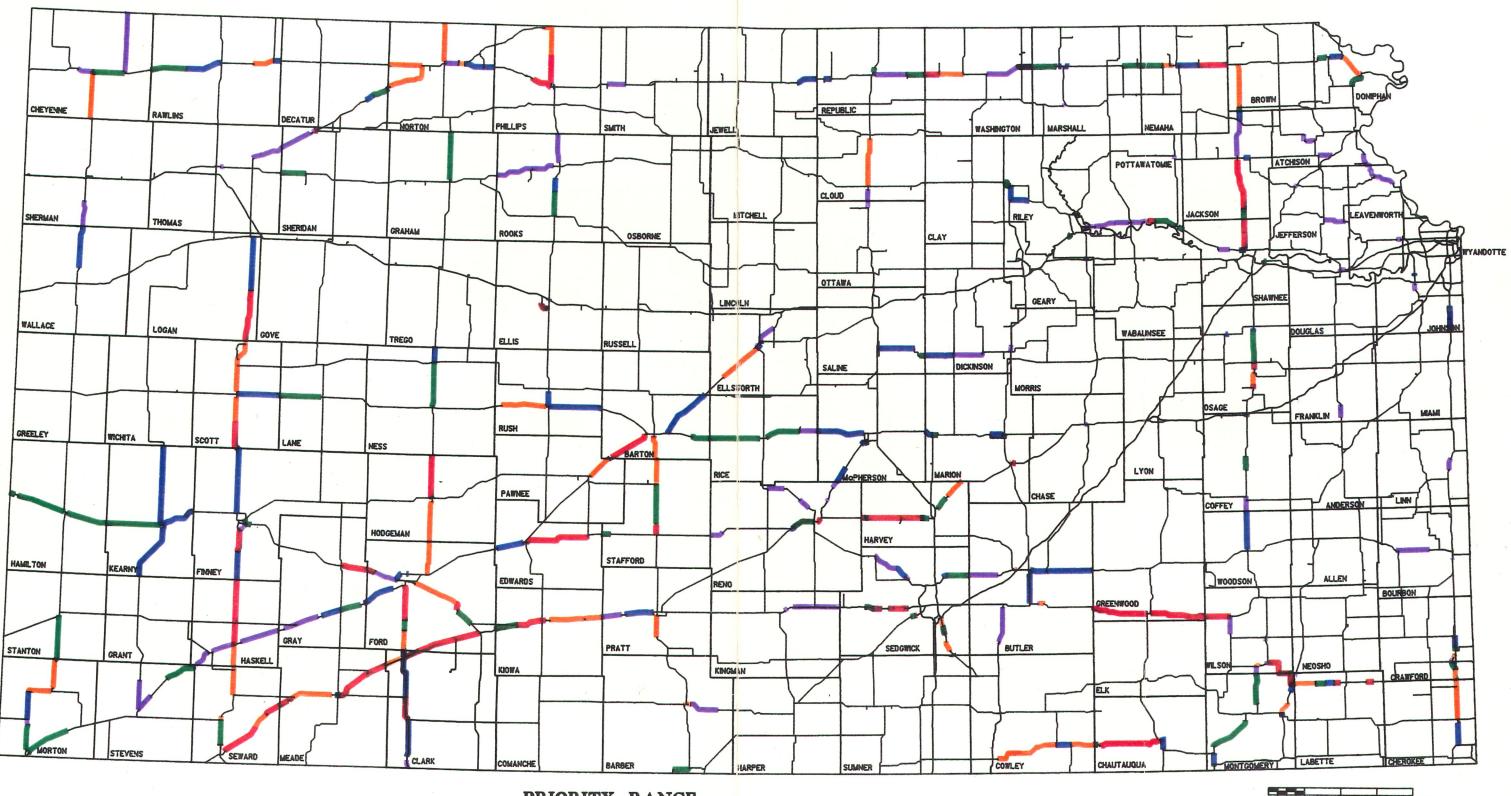
NOTE: Major modifications, system enhancements and bridges contain 3% for additional state operations

NOTE: Agency shortfall at the adequate maintenance level has been adjusted to reflect the Governor's budget recommendations, the House passed appropriation bill and related assumptions.

NOTE: There have been revisions in the revenue estimates for Registration Fees and the Sales Tax Transfer to reflect revised estimates of vehicle registration, changes in the vehicle registration statute, and changes in estimated total state sales tax collection resulting from the exemption of farm machinery. The changes were made in conjuntion with the Department of Revenue and Legislative Research.

NOTE: NUMBERS MAY NOT AGREE WITH PREVIOUS PRESENTATION BECAUSE OF THE AFORMENTIONED CHANGES

# NON-INTERSTATE ROADWAY SECTIONS



PRIORITY RANGE

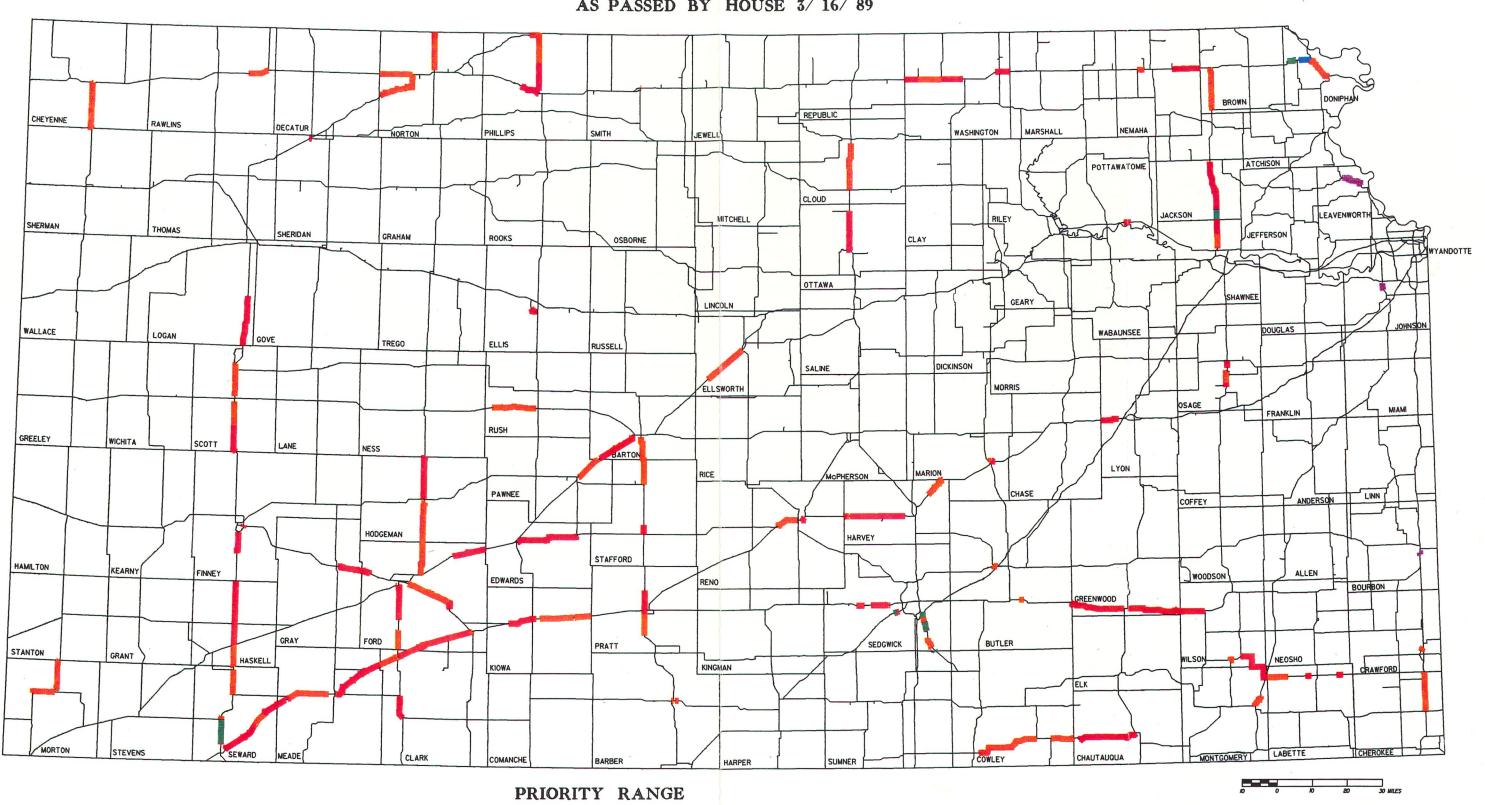
KANSAS DEPARTMENT OF TRANSPORTATION

BUREAU OF TRANSPORTATION PLANNING SEPT. 27, 1988

USING CANSYS DATABASE 9/26/88

ATT. 3 T&U 3/23/89

HOUSE BILL # 2014 AS PASSED BY HOUSE 3/16/89



KANSAS DEPARTMENT OF TRANSPORTATION

BUREAU OF TRANSPORTATION PLANNING JAN, 10, 1989

ATT. 4 T&U 3/23/89

Presentation to the
Senate Transportation Committee
on
System Enhancement Criteria

by Horace B. Edwards March 23, 1989

> ATT. 5 T&U 3/26/89

# SYSTEM ENHANCEMENT EVALUATION CRITERIA

## Background

The Legislative Interim Committee on Transportation included in their recommendation for a comprehensive highway program, a category of projects called System Enhancements. These are to be projects which substantially improve safety, relieve congestion, improve access or enhance economic development. The projects are to be selected by the Kansas Department of Transportation based upon criteria developed by the Department. In making their recommendation that the Department develop the criteria to be used to select the System Enhancement Projects, the Interim Committee also requested that the Department develop the criteria and report them to the Legislature by the start of the 1989 Legislative Session.

## Approach

A committee from the Kansas Department of Transportation met to recommend a set of criteria. It became clear that a single set of criteria would not be adequate. Many of the kinds of projects which will be appropriate for this program are so varied that they require different sets of criteria. The committee concluded that projects appropriate for this program could be grouped into three basic types of projects:

Corridor Improvements -- These are projects which substantially improve the capacity and serviceability of a route. Projects in this category might include such improvements as replacing a two-lane facility with a four-lane facility, adding a new two-lane corridor or improving a major thoroughfare in an urban area.

Interchange/Separation Improvements -- These are projects which build new interchanges, improve existing interchanges or build separation structures over the Interstate or State Highway System.

Bypass Construction -- These projects would build bypasses around cities.

## Criteria

Listed below are the proposed criteria for the three categories of projects and their relative weights along with an explanation of how the weights would be applied.

## CORRIDOR IMPROVEMENTS

## REQUIREMENTS

- 1. All Corridor Improvement projects must be either on the current approved State Highway System or must be a logical addition as determined by the Department of Transportation
- 2. All Corridor Improvement projects must substantially improve the capacity and serviceability of the route.

EVALUATION ATTRIBUTES	Relative Weight
<ol> <li>Economic Development Enhancement</li> <li>Present Traffic Volume-Capacity Ratio</li> <li>Estimated Future Traffic Volume-Capacity Ratio</li> <li>Average Trip Length-Trip Length Index</li> <li>Accident Rate</li> <li>Fatality Rate</li> <li>Priority Formula Rating</li> </ol>	20 25 20 5 5 5
8. Truck Traffic Volume (AADT) Subtota	$\frac{10}{100}$
9. Percent Local Match	0 to 10 <b>0</b>

NOTE: Item 1 will be rated on a scale of 1 to 10. Data for items 2 through 8 will be converted to a scale of 1 to 10. Item 9 is a direct addition to the evaluation criteria rating.

## INTERCHANGE/SEPARATION IMPROVEMENTS

## REQUIREMENTS

- 1. All Interchange/Separation additions or improvements must be on the State Highway System.
- 2. The requestor will be responsible for all plan production and Right of Way costs.

EVALUATION ATTRIBUTES	Relative Weight
<ol> <li>Economic Development Enhancement</li> <li>Safety Enhancement</li> <li>Operational Enhancement</li> </ol>	20 20 15
4. Cost Effectiveness	15
5. Traffic Served	30
Subtotal	100
6. Percent Local Match	0 to 100

NOTE: Items 1 through 5 will be rated on a scale of 1 to 10. Item 6 is a direct addition to the evaluation criteria rating.

#### BYPASS CONSTRUCTION

## REQUIREMENTS

1. All Bypass Construction projects must be either on the State Highway System or must be a logical addition as determined by the Department of Transportation.

EVALUATION ATTRIBUTES	Relative Weight
<ol> <li>Economic Development Enhancement</li> <li>Estimated Future Traffic Volume (AADT)</li> <li>Percent through traffic</li> <li>Truck Traffic Volume (AADT)</li> </ol>	20 15 20 15
5. Current Volume/Capacity Ratio	20
6. Accident Rate Subtotal	$\frac{10}{100}$
7. Miles Removed from City Connecting Links and/or Rural Highway system	Lane-Miles
8. Percent local match	0 to 1 <b>00</b>

NOTE: Item 1 will be rated on a scale of 1 to 10. Data for items 2 through 6 will be converted to a scale of 1 to 10. Items 7 and 8 are direct additions to the evaluation criteria rating.

## To Be Considered

This program of system enhancement would be one in which KDOT would solicit applications. In order for a project to be considered, an entity, such as a city, county or combination thereof would submit an application to the Department of Transportation.

## Evaluation Responsibility

The responsibility for rating all projects for their Economic Development Potential will rest with a special committee of State agencies with economic development responsibility to be appointed by the Governor. The membership will include representatives from the Department of Commerce, Kansas Inc., and the Highway Advisory Commission. The membership will remain limited with an eye towards individuals who have economic development experience with a statewide perspective.

The interchange/separation criteria are subjective, but technical and will require a panel of raters. This panel will be appointed by the Secretary of Transportation and will include a cross section of experience and disciplines from the Department of Transportation.

The Kansas Department of Transportation will be responsible for compiling the objective data and applying it where appropriate in the various criterions as well as for providing the Economic Development Potential

Rating Committee with relevant data. The Economic Development Potential Rating Committee would also solicit presentations on the economic impact of the project from the requesting entity.

#### SYSTEM ENHANCEMENT

#### **EVALUATION CRITERIA**

## CORRIDOR IMPROVEMENTS

## REQUIREMENTS

- 1. All Corridor Improvement projects must be either on the current approved State Highway System or must be a logical addition as determined by the Department of Transportation.
- 2. All corridor Improvement project must substantially improve the capacity and serviceability of the route.

EV	ALUATION ATTRIBUTES	Relative Weight
1.	Economic Development Enhancement	20
2.	Present Traffic Volume-Capacity Ratio	25
3.	Estimated Future Traffic Volume-Capacity Ra	tio 20
4.	Average Trip Length-Trip Length Index	5
5.	Accident Rate	5
6.	Fatality Rate	5
7.	Priority Formula Rating	10
8.	Truck Traffic Volume (AADT)	10
9.	Percent Local Match	0 to 100

NOTE: Item 1 will be rated on a scale of 1 to 10. Hard data for items 2 through 8 will be converted to a scale of 1 to 10. Item 9 is a direct addition to the evaluation criteria rating.

#### 1. ECONOMIC DEVELOPMENT ENHANCEMENT

This attribute considers those improvements which would provide a greater expectation of development to occur than without the improvement, or at a more accelerated pace than would normally be expected. Ratings assigned would range from 1 to 10. A rating of 10 would be assigned to those improvements which have a strong tie to actual development or new committed development. A rating of 1 would be assigned to an improvement where the development activity would essentially remain the same or anticipated growth would not be expected to change as a result of the improvement.

## 2. PRESENT VOLUME - CAPACITY RATIO

This ratio reflects the ability of the roadway to carry the present traffic. This ratio is determined by dividing the present annual average daily traffic (AADT) by the capacity of the roadway. The existing capacity of the section is determined by using the procedures outlined in the 1985 Highway Capacity Manual.

## 3. ESTIMATED FUTURE VOLUME - CAPACITY RATIO

This ratio reflects the ability of the roadway section to carry the traffic which is forecast to be using the section twenty years hence. This ratio is determined by dividing the forecast AADT for the roadway by the capacity of the section.

#### 4. AVERAGE TRIP LENGTH - TRIP LENGTH INDEX

This index indicates the volume of traffic and the length of trips on the roadway. The index relates the importance of a roadway for both the service of high volume corridors and long interregional travel. The index is the product of the average trip length times the present AADT divided by one million. The trip length data are obtained from the origin-destination surveys conducted by the Bureau of Transportation Planning.

#### 5. ACCIDENT RATE

This rate reflects the accident experience of the roadway. The number of accidents per one million vehicle-miles of travel on the roadway is determined. An accident experience period of at least five years is used unless the roadway is of more recent construction.

## 6. FATALITY RATE

This rate reflects the fatal accident experience on the roadway. The number of fatalities per one hundred million vehicle-miles of travel on the roadway is calculated. An accident experience period of at least five years is used unless the roadway is of more recent construction.

## 7. PRIORITY FORMULA RATING

This is the rating as determined by the current Non-Interstate Roadway Priority Formula.

## 8. TRUCK TRAFFIC VOLUME (AADT)

This attribute reflects the (AADT) number of trucks per day on the existing highway.

## 9. PERCENT LOCAL MATCH

The percent of the total project cost that the City/County has dedicated toward the project will be a direct addition to the evaluation criteria rating. The requestor must identify the source and have either dedicated funds up-front or anticipated funding must be approved within one year of project selection by KDOT.

## INTERCHANGE/SEPARATION IMPROVEMENTS

## REQUIREMENTS

- 1. All Interchange/Separation additions or improvements must be on the State Highway System.
- 2. The requestor will be responsible for all plan production and Right of Way costs.

EVALUATION ATTRIBUTES	Relative Weight
1. Economic Development Enhancement	20
<ol> <li>Safety Enhancement</li> </ol>	20
3. Operational Enhancement	15
4. Cost Effectiveness	15
5. Traffic Served	30
6. Percent Local Match	0 to 100

NOTE: Items 1 through 5 will be rated on a scale of 1 to 10. Item 6 is a direct addition to the evaluation criteria rating.

## 1. ECONOMIC DEVELOPMENT ENHANCEMENT

This attribute considers those improvements which would provide a greater expectation of development to occur than without the improvement, or at a more accelerated pace than would normally be expected. Ratings assigned would range from 1 to 10. A ratings of 10 would be assigned to those improvements which would provide access for additional future traffic generated by a major activity center. A rating of 1 would be assigned to an improvement where the development activity would essentially remain the same or anticipated growth would not be expected to change as a result of the improvement.

## 2. SAFETY ENHANCEMENT

This attribute considers those improvements which would upgrade existing interchange features which are important to safety such as sight distance, storage length, acceleration-deceleration lanes, ramp alignments, etc. Ratings assigned would range from 1 to 10. Those interchange improvements that incorporate most of these features would be rated as 10 and those that had fewer features of this type being improved would be rated lower.

## 3. OPERATIONAL ENHANCEMENT

This attribute considers those improvements which would upgrade the existing interchange's capability for handling larger traffic volumes or a new interchange which would relieve traffic overloading from adjacent interchanges thereby raising the overall level of service. Also included would be the types of improvements which eliminate bottlenecks or restrictions to traffic flows on the mainline. Ratings assigned would range from 1 to 10. A rating of 10 would indicate an improvement with major operational enhancement while a rating of 1 would indicate an improvement with little or no operational enhancement.

## 4. COST EFFECTIVENESS

This attribute considers the cost of the improvement in relation to the overall benefits which the travelling public would receive. Generally, the higher the volume of traffic served by the interchange improvements, the greater the benefit would be to the travelling public. Highest ratings would be given to those improvements which are relatively low cost yet serve a large amount of traffic and/or significantly improve the safety and operation of the interchange.

## 5. TRAFFIC SERVED

This attribute considers the amount of traffic that would benefit from the improvement. A rating of 10 would be assigned to an improvement that would be expected to serve the highest volume of traffic. Corresponding lesser ratings would be assigned to those proposed improvements with lower volumes of traffic expected to use the improvement.

## 6. PERCENT LOCAL MATCH

The percent of the total project cost that the City/County has dedicated toward the project will be a direct addition to the evaluation criteria rating. The requestor must identify the source and have either dedicated funds up-front or anticipated funding must be approved within one year of

project selection by KDOT.

## BYPASS CONSTRUCTION

#### REQUIREMENTS

1. All Bypass Construction projects must be either on the current approved State Highway System or must be a logical addition as determined by the Department of Transportation.

#### **EVALUATION ATTRIBUTES** Relative Weight 1. Economic Development Enhancement 20 2. Estimated Future Traffic Volume (AADT) 15 3. Percent through traffic. 20 4. Truck Traffic Volume (AADT) 15 5. Current Volume/Capacity Ratio 20 6. Accident Rate. 10 7. Miles Removed from City Connecting Links and/or Rural Highway system. Lane-Miles 8. Percent local match. 0 to 100

NOTE: Item 1 will be rated on a scale of 1 to 10. Hard data for items 2 through 6 will be converted to a scale of 1 to 10. Item's 7 and 8 are direct additions to the evaluation criteria rating.

## 1. ECONOMIC DEVELOPMENT ENHANCEMENT

This attribute considers those Bypasses which would provide a greater expectation of development to occur than without the improvement, or at a more accelerated pace than would normally be expected. Ratings assigned would range from 1 to 10. A rating of 10 would be assigned to those Bypasses which have a strong tie to actual development or new committed development. A rating of 1 would be assigned to Bypasses where the development activity would essentially remain the same or anticipated growth would not be expected to change as a result of the Bypass.

## 2. ESTIMATED FUTURE TRAFFIC VOLUME (AADT)

This attribute reflects the total annual average daily traffic that is estimated to use the proposed bypass when construction is completed.

## 3. PERCENT THROUGH TRAFFIC

This attribute helps determine the need for a bypass. This percent is determined by dividing the estimated traffic (AADT) that has both the beginning and end of the trip beyond the city that is to be bypassed by the existing total traffic (AADT) on the city connecting link.

## 4. TRUCK TRAFFIC VOLUME (AADT)

This attribute reflects the (AADT) number of trucks per day on the existing highway.

## 5. CURRENT VOLUME CAPACITY RATIO

This ratio reflects the ability of the existing highway to carry the present traffic. This ratio is determined by dividing the present annual average daily traffic (AADT) on the existing highway by the capacity of the existing highway. The existing capacity of the section is determined by using the procedures outlined in the 1985 Highway Capacity Manual.

## 6. ACCIDENT RATE

This rate reflects the accident experience of the existing roadway. The number of accidents per one million vehiclemiles of travel on the roadway is determined. An accident experience period of at least five years is used unless the roadway is of more recent construction.

## 7. MILES REMOVED FROM THE HIGHWAY SYSTEM

A credit of one will be given for each Lane-Mile taken off the City Connecting Link System and/or the Existing State Highway System. This will be a direct addition to the evaluation criteria rating.

## 8. PERCENT LOCAL MATCH

The percent of the total project cost that the City/County has dedicated toward the project will be a direct addition to the evaluation criteria rating. The requestor must identify the source and have either dedicated funds up-front or anticipated funding must be approved within one year of project selection by KDOT.

## POSSIBLE SYSTEM ENHANCEMENT CANDIDATE PROJECTS

## Corridors

Route		Location	<u>Length</u> (Miles)	<u>Cost</u> (\$1,000)
US-81	Jct. K-93, no: Four-lane exp	rth to Nebraska State Line ressway	77	167,000
K-96	From Hutchins Four-lane exp		39	91,600
US-24	Tonganoxie, e Four-lane exp	ast to Wyandotte Co. Line ressway	10	25,000
K-254	East edge of Four-lane exp	Wichita, east to Jct. K-196 ressway	21	65,300
K-96	Hutchinson to Two-lane Supe	Great Bend r Two on new alignment	54	87,900
K-177	I-70 north to Four-lane exp		9	40,000
K-113	K-18 to Kimba	ll in Manhattan		9,000
US-54	Sycamore to T	opeka in Wichita		43,500
Bypasses				
Route		Location		<u>Cost</u> (\$1,000)
US-77		Arkansas City		7,600
US-77		Winfield		5,300
Oakland	Expressway	Topeka		37,500
US-56/U	S-283	Dodge City		12,750
US-83		Liberal		13,500
US-75		Topeka		51,000
K-10		Lawrence		30,000

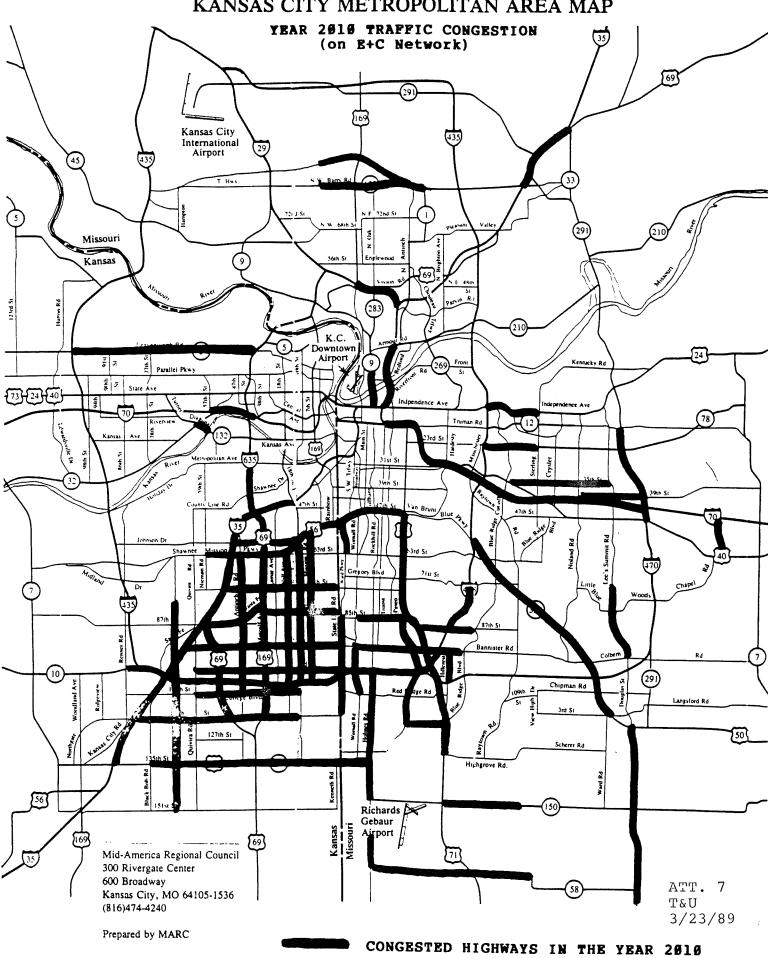
## Interchanges / Separations

Route	Location		<u>Cost</u> (\$1,000)
I-70/I-470/Wanamaker	Topeka		19,500
K-254/Oliver	Wichita		7,500
I-135/US-50	Newton		7,500
US-75/Old US-75	Shawnee County		6,750
I-135/I-235/K-254	Wichita		7,500
I-35/US-169	Olathe		10,400
US-81/US-24	Cloud County		4,130
I-135/K-61	McPherson		3,000
I-135/85th Street	Sedgwick County		750
I-35/127th Street	Olathe		9,750
I-35/Quivira Road	Lenexa		14,400
I-35/111th Street	Lenexa		8,250
Old US-56/K-7	Olathe		5,000
I-435/Antioch Road	Overland Park		9,000
I-70/Airport Road	Hays		8,500
		Total	\$808,880

Estimated costs inflated at 5.2% per year to FY 1994 from a 1987 base.

Kansas Department of Transportation March 23, 1989

## KANSAS CITY METROPOLITAN AREA MAP



## The Mid-America Regional Council's Long Range Street and Highway Capacity Improvement Recommendations for (Year 2010)

## **Freeways**

- widen to 8 lanes, I-635 to K-150 I-35:
- US-69: widen to 6 lanes, 95th to K-150
- I-635/Metcalf: widen to 6 lanes, Metro. to SM Pkwy

## North/South Arterials

- widen to 4 lanes, SM Pkwy to I-35 Pflumm:
  - and 119th to K-150
- Quivira: widen to 4 lanes lllth to K-150 with new 4 lanes bridge over I-35
- Antioch; new I-435 interchange and
  - widen to 6 lanes 103rd to 111th
- Metcalf: widen to 6 lanes, SM Pkwy to 87th and
- and to 4 lanes 600 119 th to K-150 Nall: widen to 4 lanes 5 th to 91st
- widen to 4 lanes, 63 to 75th and 119th to K-150
- Mission: widen to lames, I-35 to SM Pkwy widen to 4 lames, SM Pkwy to Tomahawk and 95th to 111th
- Stateline: widen to 6 lanes, 103rd to Red Bridge widen to 4 lanes, Red Bridge to K-150

## East/West Arterials

- SM Pkwy: widen to 6 lanes, Quivira to Metcalf
- 75th: widen to 5 lanes, I-35 to Stateline
- 103rd: widen to 6 lanes, US-69 to Stateline
- widen to 4 lanes, Roe to Elmonte lllth:
  - extend as 4 lanes facility to Stateline
- 119th: widen to 4 lanes, Blackbob to Pflumm
- $\overline{K-150}$ : widen to 4 lanes, Blackbob to Stateline and
  - add collector distribution system, widen to 6 lanes, Antioch to Metcalf
- 151st: widen to 4 lanes, Blackbob to US-69

# The Mid-America Regional Council's Long Range Street and Highway Capacity Improvement Recommendations for Cass County (Year 2010)

- M-150: construct new diagonal, Stateline to Hwy D
- M-150: widen to 4 lanes, Hwy D to M-291
- Hwy D: widen t 4 lanes, Holmes to M-58
- M-58: widen to 4 lanes, Hwy D to Raymore CBD
- $\overline{M-291}$ : widen to 4 lanes, M-150 through Harrisonville
- 71 Hwy: widen to 6 lanes, Scott to Rt Y.

The Mid-America Regional Council's
Long Range Street and Highway Capacity Improvement
Recommendations for Clay and Platte Counties
(Year 2010)

## Interstate Improvements:

- I-29: widen to 6 lanes, 1 29 Wwy 16
- $\overline{1-29}/35$ : widen to 6 lanes, 27 loop to Armour
- I-29: widen to 6 lanes to Hwy 69 split

## Major Arterials:

- Barry Road: widen to blanes, Brighton to I-29

- New 4 lane Chouteau Chan

The Mid-America Regional Council's
Long Range Street and Highway Capacity Improvement
Recommendations for the Manage County
(Year 2010)

- Leavenworth Road: Widen to 4, I-635 to I-435
- News Tane Turner Bridge over Kaw River
- Widen to 4 lanes, 57th to I-70

## Potential Problem areas:

- Holiday Dr./Metropolitan: from I-635 to I-435 (given new mall)
- $\underline{I-70}$ : from I-670 to Turner diagonal (just under capacity)

# Local Comment Suggested Capacity Improvement and Economic Development Projects (as of 2/28/89)

## Capacity Improvement

- Chouteau: widen to 4 lanes, M-210 to I-35 (KCMO)
- widen to 4 lanes K-10 to K-150 (JC)

## Economic Development:

- Central Jackson County N/S arterial, Noland Rd to Raymore
- South Liberty Bypass (LB)
- New Raymore Route: New 2 lane facility south of Raymore, M-291/58 to 175th street in Kansas (RY)
- Gibbs Rd to 78th at K-32 (KCK)
- widen to 4 lanes, K-7 to Tonganoxie (LV)
- New Interchanges:
  - o KCK)
  - O A And STTH (KCK)
  - o US-71 and New Raymore E/W route (RY)

## Projects to Reconsider:

- 103rd: keep at 4 lanes, no right-of-way for 6 lanes (LW, op)
- Roads New Rt. 5 alignment along river (KCK)
  (Alternative to widening Leavenworth Rd.)
- Noland Rd: widen to 4 lanes, I-70 to M-350 (IN, RY, RT)
  (Alternative to widening Lee's Summit Rd.)
- <u>I-70</u>: widen to 8 lanes I-435 to M-291 (IN)
  (Alternative to widen US-40 to 6 lanes, 31st to M-291)

To: Senate Transportation and Utilities Committee

House Bill No. 2014, As Amended By House Committee of Re:

the Whole

Kansas Department of Transportation From:

March 23, 1989 Date:

THIS PAPER RELATES ONLY TO ISSUES WITH THE AMENDED BILL WHICH ARE NOT RELATED TO THE PROGRAM SIZE AND REVENUE SOURCES.

## AMOUNT OF WORK

New Section 1 (a), lines 50 through 54, states it is legislative intent that the top 10 percent of the "highway system needs" be addressed and that priority bridge projects increase by 12.5 percent. These percentages were set in the Crowell amendment and were not adjusted to reflect the further reductions in the program. The revised numbers would be 7 percent and 6.5 Rather than specifying percentages in the statute, KDOT would recommend the following language:

> It is the intent of the legislature that the highway and priority bridge projects selected represent the highest needs of the existing state highway system as determined by the transportation department's prioritization method.

## REPORTING REQUIREMENTS

New Section 1 (b), lines 75 through 78, requires an annual report to the Legislature and New Section 1 (c), lines 79 through 81, requires an annual update of a document but does not specify its distribution. New Section 2, lines 655 through 662, requires another annual report to the Legislature. In addition K.S.A. 68-2301 requires an annual report to the Legislature concerning the Freeway System and K.S.A. 75-5020 requires an annual report to the Legislature concerning the organization of the department. KDOT would recommend that these be combined and refined so that there is one requirement for an annual report that specifies the material to be provided. The following language might be useful:

> New Section . Annual Report of the Secretary to the Governor and each member of the Legislature. Annually, prior to the tenth day of each regular session of the Legislature, the Secretary of Transportation shall submit a written report to the Governor and each member of the Legislature providing:

ATT. 8 T&U3/23/89 (a) A Comprehensive Financial Report of all funds for the preceding year which shall include a report by independent public accountants attesting that the financial statements present fairly the financial position of the Kansas Department of Transportation in conformity with generally accepted accounting principles.

(b) A detailed explanation of the methods or criteria employed to select construction projects including a definition of the program elements in subsections (a) and (b) of New Section 1.

(c) The proposed allocation and expenditure of moneys and proposed work plan for the current fiscal year and at least the next five years.

(d) Information concerning construction work completed in the preceding fiscal year and construction work in progress.

(e) Specific recommendations for any statutory changes necessary for the efficient and effective operation of the Kansas Department of Transportation.

(f) An explanation of any material changes from the previous annual report.

## INVESTMENT OF THE STATE HIGHWAY FUND

New Section 7, lines 212 through 233, was deleted when bond authority was deleted; however, K.S.A. 68-2313 is still included in the sections to be repealed. Lines 231 through 233 provided that the interest earned by the State Highway Fund would go to the State Highway Fund rather than the State Freeway Fund as currently specified in K.S.A. 68-2313.

Lines 212 through 230 clarified the investment role of the Secretary of Transportation and the Pooled Money Investment Board and establish the prudent investor rule rather than the average interest rate on time deposit open accounts.

To fund the program as envisioned in the calculations the provisions in lines 212 through 233 should be restored regardless of whether bonds are authorized.

## MINIMUM EXPENDITURES IN EACH COUNTY

New Section 3, lines 663 through 665, requires minimum expenditures in each county. In addition to the policy question, the bill reads "Secretary of Revenue" rather than "Secretary of Transportation." The \$3 million dollar requirement was not changed to reflect either the shortened program period or the reduction in the work funded. If such a requirement is retained in the bill, KDOT calculates that an equivalent number, based on the changes in the funding of the program, would be \$900,000 per county.

## RESTRICTIONS ON ABILITY TO CONTRACT

New Section 5, lines 784 through 803, impose significant restrictions. KDOT recommends that the section be deleted.

#### SIGN SHEETING

New Section 6, lines 804 through 811, allows either IIA or IIIA sign sheeting in work construction zones. <u>KDOT recommends</u> that the Senate Transportation and Utilities Committee review this issue.

#### MOBILE HOMES NOT OPERATED ON HIGHWAYS

Section 7 was amended (lines 1216 through 1222). It is the understanding of KDOT that this done for consistency with H.B. 2177, as Amended by House Committee. In addition to the policy questions of the merits of the amendment and its inclusion in H.B. 2014, the amendments are not the same. KDOT recommends that the Senate Transportation and Utilities Committee review this issue.

#### TIE BIDS

Section 16, lines 1521 through 1523, requires that preference be given to the resident bidder if there is a tie. <u>KDOT recommends that the section be deleted.</u>

# PRESENTATION TO SENATE TRANSPORTATION COMMITTEE

ON

## **ECONOMIC LIFELINES PROPOSAL**

By Patrick Hurley
Pete McGill and Associates
on behalf of Kansas Good Roads Association
and Economic Lifelines

March 23, 1989

## OUTLINE OF ECONOMIC LIFELINES PROPOSAL

## I. STANDARDS:

- A. Need 1/5 of most pressing needs
- B. Funding Components interim and governmental committee
- C. Public Support public, highway users, Economic Lifelines members

## II. <u>ELEMENTS:</u>

- A. Scope same as interim 1/5 of highways
- B. Components of Highway Program Addressed

FY 1990 - FY 2000	Interim Committee <u>HB 2014</u>	Economic Lifelines Proposal
Projected Shortfall to Agency	817 million	817 million
New Initiative Construction Program Rural, Elderly & Handicapped Connecting Link Payments Increase	2.105 billion 3 million 9 million	2.105 billion 3 million 9 million
	2.117 billion	2.117 billion
Increase to Special City & County Highway Fund	519 million	372 million
TOTAL	3.453 billion	3.306 billion

C. <u>Construction Period</u> - same as interim - work completed in 11 years

## D. Motor Fuel Tax

- 1. Same 7¢ as interim
- 2. Accelerated July 1, 89-4¢, 90-1¢, 91-1¢, 92-1¢
- 3. Raises \$1.063 billion (\$30 million more than interim)
- 4. 65% or \$691 million into State Highway Fund

## E. Registration Fees - same as interim

- 1. Passenger 52%
- 2. Freight 30%
- 3. Total revenue \$318 million into State Highway Fund

## F. Sales Tax Transfer

- 1. 9.19% for first year (sales tax on new and used vehicles)
- 2. 12% each of other 10 years (sales tax also on parts and services auto dealers)
- 3. Total revenue \$500 million into State Highway Fund (\$171 more than interim)

## G. Sales Tax Increase

- 1. 1/2¢ increase same as interim \$1.384 billion
- 2. 1/4¢ to State Highway fund \$692 million
- 3.  $1/4\phi$  to school finance enhancement (\$62.9 million per year)

## H. City/County Fund

- 1. 35% of 7¢ increase in motor fuel tax in city/county fund \$372 million
- 2. 40.5 % of current 11¢ motor fuel tax continues to city/county fund
- 3. Same allocation as current statutory formula under indexing

## I. Bond Financing

- 1. Interim recommendation \$700 million bonds 15 years delayed issuance
- 2. Economic Lifelines recommendations early issuance for 20 or 25 years
- 3. Economic Lifelines 20 year bonds \$1.325 billion to complete program
- 4. Economic Lifelines 25 year bonds \$1.130 billion to complete program

## · J. Total State Highway Revenue

	<u>SB 2014</u>	Economic Lifelines
Motor Fuel Tax	1.033 billion	691 million
Registration	318 million	318 million
Sales Tax Transfer	329 million	500 million
1/4¢ Sales Tax	865 million	692 million
		****
	2.545 billion	2.201 billion

## K. Total Revenue to Local Taxing Units

City/County - \$372 million U.S.D.'s - 692 million \$1.064 billion

## III. <u>LEGISLATIVE ISSUES</u> which Economic Lifelines Proposal Addresses

## A. Highway Program

- 1. With it sufficient to address most critical (1/5) State Highway needs long term
- 2. Without this solution No program with loss of ability to match federal funds or ONLY minimal program with need to readdress in near future.

## B. School Finance Enhancement

- 1. With it provides school aid at level this year (\$100 million +) requested by State Board of Education, Kansas Association of School Boards, and Kansas National Education Association to offset reappraisal.
- 2. Without it legislature continues to seek additional school aid enhancement from the surplus in the general fund.

## C. Reappraisal

- 1. With it creates mechanism of ongoing revenue fund for legislature to use in future years to offset reappraisal on Unified School Districts.
- 2. Without it next year and each year thereafter Governor and Legislature again will have to look to surpluses (then substantially reduced) or tax increase by 1990 1991 to deal with affects of reappraisal on USD's.

## IV. <u>SUMMARY OF BENEFITS</u> from Economic Lifelines Proposal

1. Addresses critical highway needs on long term basis

2. Utilizes reasonable blend of funding sources - without placing undue burden on any one sector.

3. Generates broadest base of public support of any highway program in recent history.

4. Provides necessary revenue for substantial school aid sought by education group due to reappraisal.

5. Provides permanent mechanism and revenue fund for continued offset against impact of reappraisal on USD's.

ALTERNATIVES	MOTOR FUEL TAX INCREASES	REGISTRATION FEE INCREASES	SALES TAX TRANSFER INCREASE	SALES AND COMPENSATING TAX INCREASE	INCREASE TO THE SPECIAL CITY & COUNTY FUND	BOND SALES	PROGRAM
HB 2014	4 c 7/1/89 2 c 7/1/91 1 c 7/1/93 1,033	52% PASSENGER 30% FREIGHT 318	10% OF SALES TAX COLLECTIONS 329	1/2% 62.5% FOR HIGHWAY FUND 865	37.5% OF SALES & COMPENSATING TAX INCREASE 519	LATE SALE AS NEEDED 15-YEAR @ 7.875% 651	
E.L. Proposal with 25 year bonds	4 c 7/1/89 1 c 7/1/90 1 c 7/1/91 1 c 7/1/92 691 (342)	52% PASSENGER 30% FREIGHT 318 0	SALES TAX COLLECTIONS 9.19% FY 1990 12% FY 1991+ 500 171	1/2%. 50% FOR HIGHWAY FUND (NOTE 1) 692 (173)	35% OF MFT INCREASE 372 (147)	EARLY SALE 25-YEAR @ 7.25% 1,130 479	PER HB 2014
E.L. Proposal with 20 year bonds	4 c 7/1/89 1 c 7/1/90 1 c 7/1/91 1 c 7/1/92 691 (342)	52% PASSENGER 30% FREIGHT 318 0	SALES TAX COLLECTIONS 9.19% FY 1990 12% FY 1991+ 500 171	1/2% 50% FOR HIGHWAY FUND (NOTE 1) 692 (173)	35% OF MFT INCREASE 372 (147)	EARLY SALE 20-YEAR @ 7.25% 1,325 674	PER HB 2014

NOTE 1: One-half of the increase in the Sales & Compensating tax has been designated for Education The amount for Education would be \$692 million.

# STATE OF KANSAS DEPARTMENT OF ADMINISTRATION

MIKE HAYDEN, Governor
MICHAEL F. O'KEEFE, Director of the Budget
Room 152-E, Capitol Building
(913) 296-2436

# MEMORANDUM

TO:

Senate Committee on Transportation and Utilities

FROM:

Michael F. O'Keefe, Budget Director

DATE:

March 23, 1989

SUBJECT:

**Highway Funds** 

I thank you for the opportunity to appear before you today to address the issue of State General Fund support for highways. The 1983 Legislature adopted a six year phase-in of approximately 70 percent of the sales tax for new and used vehicles for highways. That was done through a direct transfer from the State General Fund to the State Highway Fund and was based upon an estimate of the portion of the sales tax that was attributable to the sale of new and used vehicles. As you know, this item is not separately reported.

The Governor realizes the need for a stable source of funding for Kansas highways, bridges, roads and streets. He recognizes that the best provider of such a source is a mix of user fees so that over the long run the total yield is relatively stable. For example, the trend line of vehicle registration revenues is relatively flat. While this works against highway funding in years of inflation, it has provided a stabilizing effect in the years of the energy crisis and declines in motor fuel tax receipts. On the other hand, motor fuel tax receipts generally respond to the amount of travel. This vehicle fleet recent times as in been true has

ATT. 10 T&U 3/23/89

(10)

miles per gallon standards have been rising largely offsetting increases in average daily traffic. The 1983 Legislature indexed motor fuel tax to price but a relatively high trigger point. As the vehicle mile per gallon stabilizes and economic conditions are such that travel increases, we can expect motor fuel tax receipts to increase as well.

A third component was enacted by the 1983 Legislature, the transfer from the State General Fund of an amount equivalent to the sales tax to on new and used vehicles. The Governor recommends that we increase the amount from 70 percent of the 9.19 percent to the full 100 percent. He has included over \$13 million in his budget from the State General Fund to fund that recommendation, which continues the long tradition of user funding for highways.

We believe that the Governor's recommendation is a responsible one. It maintains commitment to the user fee principle without jeopardizing the fiscal vitality of the State General Fund. As you know, the State General Fund is the principle source of funding for the education, public safety, agriculture and natural resources, and general government functions of state government. It is an increasingly important component of funding for human resource initiatives.

I believe that there are three factors which lead me to believe that increased long-term commitments to the general fund above the level recommended by the Governor should pose reason for concern. The first, which I have noted is the other areas of government that must rely extensively on the State General Fund for support. These are vital activities that Kansans have endorsed over time that I am not convinced that should be put in jeopardy.

The second factor is national economic policy to control inflation even to the point of recession. Our forecasters have noted the possibility of recession by 1990. Many argue that it will occur in the latter half of 1989. If they are correct, the State General Fund growth rate experienced in the recent past would slow.

Finally I would note that the continuation of a natural federalism policy which involves increasing funding responsibilities to the states many of you will be faced during your current term with difficult budget choices based upon the decreased federal funds.

Mr. Chairman, members of the Committee, I oppose the increase in State General Fund support for the highways above that recommended by the Governor. I believe it departs from user funding and I do not believe it is affordable. I will stand for questions.

6733



Craig Grant Testimony Before The Senate Transportation Committee Thursday, March 23, 1989

Thank you, Mr. Chairman. I am Craig Grant and I represent the Kansas-NEA.

I appreciate this opportunity to visit with the committee about the Economic

Lifelines proposal which is presented to you today.

I have never testified before this committee and do not profess to have any knowledge about highway construction or maintenance other than having travelled southeast Kansas enough to know something needs to be done for that area of the state. What I want to talk to you about are the concepts embodied in SB 380, introduced this week and referred to this committee.

Kansas-NEA supports <u>SB 380</u> and its dedication of ½ of the sales tax increase to the financing of schools. We would not be supportive if the language was not in new sections six and seven which guarantees that the funding would be an enhancement rather than replacement dollars for that amount already allocated by the state. We all have long sought to get the state's share of financing up to the 50% level. We are at 43.8% this year. <u>SB 380</u>, hopefully with a growing amount of revenue each year, would approach the 49% level of funding—the highest level since the enactment of the school district equalization act.

A word or two about the allocation formula in new section five of the bill. Sending 75% of the funding through our SDEA formula and 25% on a per pupil basis will guarantee that all school districts will benefit from the increased revenue. There would be no "no aid" districts as we know them presently with this money. Assuming the revenue of 1/4 cent sales tax is \$63 million, \$15.75 million would be distributed on a per pupil basis, providing

T&U 3/23/89

Craig Grant Testimony Before Senate Transportation, 3/23/89, page two

a grant of between \$30 and \$40 per each pupil in the state. The remaining \$47.25 million would be distributed through the equalization formula which we will, hopefully, soon revise.

Yesterday we received our first school district printouts for study which reflect the new valuations under reappraisal and classification. Although at first glance the actual mill levy numbers are not too scary, it is evident that shifts within districts will occur. Several school district people—people who know and understand school finance—were sitting and discussing the new printouts last evening. It was mentioned and agreed by all that the printout would look much better to all if another 40 to 50 million dollars were in the formula. The representatives from "no aid" districts reminded us not to overlook their needs. This proposal solves both problems and should allow for stability in the school funding during the next few years.

Presently, elementary and secondary schools receive about 39-40% of the state's general fund. This number fluctuates little from year to year.

Kansas-NEA welcomes the opportunity to receive 50% of a new income dedicated to enhance the regular funding of our schools.

Kansas-NEA supports the concepts embodied in <u>SB 380</u> and hopes that this committee, the entire legislature, and governor will agree with us. When our 800 teachers, school board members, and parents rallied Monday in the snow, they indicated that it was time to "Support Our Schools." We are hoping this legislature will heed our call. Thank you for listening to the concerns of our members.

### (2)

#### STATEMENT

### By The

### KANSAS MOTOR CARRIERS ASSOCIATION

Supporting a comprehensive highway program for Kansas including the funding components of H.B. 2014 and Senate Bill 380.

Presented to the Senate Transportation & Utilities Committee, Senator Bill Morris, Chairman; Statehouse, Topeka, Thursday, March 23, 1989.

### MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Mary E. Turkington, Executive Director of the Kansas Motor Carriers Association with offices in Topeka. I appear here today along with Tom Whitaker, our Governmental Relations Director; on behalf of our 1,550 member-firms and the highway transportation industry.

We are here to express our strong support for a comprehensive highway program for Kansas. Highway transportation is important to Kansas and to the 70,000 men and women who go to work everyday directly employed by the truck and bus industry in this state.

We express such support fully aware of the substantial tax increases which must be accommodated by our industry. We also believe that we must safeguard the investment Kansans everywhere have made in our highway system -- including our local streets and highways. ATT. 12

3/23/89

We have enclosed in your folder --

- (1) A chart showing the proposed revisions in registration fees for cars and trucks.
- (2) A comparison of proposed motor vehicle registration fees and motor fuel taxes as of January 1, 1990, with those of nearby states.
- (3) A summary of the user taxes Kansas trucks paid in 1987, the last year for which such information presently is available.

Please note that the registration fee <u>increases</u> for our industry's 80,000-lb. vehicles would be \$400 per unit for an annual fee of \$1,725 compared to the present \$1,325 annual registration fee. The fee for the maximum 85,500-lb. unit would jump \$450 for a total annual registration of \$1,925. (The present maximum is \$1,475).

The maximum fee <u>increase</u> for passenger cars would be \$12 annually-or one dollar a month -- making most passenger vehicle registrations cost only \$25 per year. The top passenger tag would be increased only \$9 from \$26 to \$35 total. Lighter pickup trucks would only increase \$10 from \$25 to \$35 per year.

I cannot believe that passenger car owners would object to these nominal registration fee increases to help pay for safer, smoother, more efficient roads and streets.

We have previously submitted information to you on the federal user tax dollars our industry must pay into the Federal Highway Trust Fund. You will recall that these include:

12% Excise Tax -----charged on the first retail sale of tractors and trucks with a gross weight over 33,000 lbs. and trailers over 26,000 lbs. gross weight.

Heavy Vehicle Use Tax -- \$550 for vehicles with a gross weight of 75,000 lbs. or more. (Paid annually)

Tires ------under 40 lbs. are exempt but the schedule sets up maximum tax for tires over 90 lbs.

Averages \$36 per tire or \$648 for "18 wheeler".

<u>Diesel Tax</u> -----now 15¢ per gallon tax which includes a 6-cent differential over the 9¢ federal motor fuel tax all other motorists pay.

Our industry pays a 2-cent differential on diesel fuel at the state level plus the 6-cent differential at the federal level for a total of an 8-cent diesel differential on every gallon of diesel fuel our industry consumes. We <u>strongly oppose</u> any increase in such a fuel differential. Any such increase becomes a punitive tax on the trucking industry!

I assure you that there are countless Kansas carriers, especially our farm-to-market members who numerically are the largest segment of our membership, who honestly ask -- "where are we going to get the money to pay these tax increases?" The farm economy of our state has not fared that well -- and farmers, ranchers and agri-businesses are the customers of our farm-to-market carriers. There will be little or no opportunity for these carriers to pass these tax increases on and the carriers are about at the end of their rope in absorbing cost increases.

The major justification for supporting such tax increases in the face of such overwhelming odds is that this proposal offers Kansans a program -- with funding adequate to allow proper planning and utilization of tax dollars --- and accountability in terms of being able to measure work done in restoring and preserving the system of streets and highways so essential to the future of this state.

In the final mix of funding components for a highway program, the highway transportation industry recognizes that traditional user fees must bear the major burden of such tax levies.

Our industry is willing to pay the phased-in fuel tax increases that eventually will total 7¢ per gallon. We will somehow "bite the bullet" of the proposed registration fee increases if <u>all</u> vehicle owners are asked to pay a share. Our smaller carriers just can't handle any further increases in these taxes.

We strongly support the "sales tax transfer" to the highway fund of user fees collected as motor vehicle-related transactions. We fully understand that if <u>all</u> such transactions were to be recognized as the user fees such sales tax dollars represent, there would be more than \$90 million to be extracted from the State General Fund. We strongly support the 12 percent transfer authorized in H.B. 2014.

Throughout the Interim Transportation Committee's deliberations this past year, the issuance of bonds for accelerated highway building was included in the funding "mix." We do not object to the prudent use of bonds to build and maintain highways if such funds are needed.

The <u>comprehensive highway program</u> on which the Interim Committee indeed has worked hard, would address some 20 percent of the top priority highway needs of our state. If the Legislature funds less than the dollars needed to meet these needs, obviously there are projects which cannot be completed. Many areas of the state would simply be without urgently needed highway improvements.

On February 16, Economic Lifelines presented to the Legislature a broad plan to enact a comprehensive highway program, address growing concerns about education funding, soften the effects of reappraisal, and assure additional tax dollars for local needs.

The Economic Lifelines program, strongly supported by a broad spectrum of those involved in the future well being of Kansas, relied heavily on a half-cent sales tax increase which would be divided evenly between highways and education. The quarter percent sales tax dedicated to education would be <u>in addition to</u> state general fund increases for school aid, thereby providing substantial additional dollars for local school district funding.

The enhanced school aid would soften the expected blow in property tax shifts due to statewide reappraisal. Obviously, school districts could more properly be funded from a source other than increased property taxes.

The other quarter percent of the additional sales tax would go to the State Highway Fund to help finance the comprehensive highway program. The Economic Lifelines proposal would return a greater number of dollars of the sales tax increase back to local units -- and would provide a continuing source of funds for local school needs. The split also would provide continuing sales tax dollars for future highway needs without taking any money away from the current collections in the State General Fund.

KMCA sincerely believes that any comprehensive highway program must have some sales tax dollars to add to the other user fee increases motorists will be expected to pay.

Senate Bill 380, introduced March 21, makes this funding component available to the Legislature. Fiscal demands now <u>and in the future</u>, may make this policy option a <u>most feasible</u> choice.

Kansas has an opportunity to benefit from the three years of hard work which has been directed toward a sound highway program. We believe the need for a comprehensive highway program clearly has been demonstrated. There is strong support from the organizations represented here today; there is strong support from Kansans throughout the state. We believe that you have the funding tools to implement a meaningful program. We pledge our support for a sound, equitable highway program for Kansas. I will be pleased to respond to any questions you may have.

#####

### COMPARISON OF

### MOTOR VEHICLE REGISTRATION FEES

AND

MOTOR FUEL TAXES

0F

### SURROUNDING STATES

( AS OF JANUARY 1, 1990 )

	Registration Fee 80,000 lb. Vehicle	Motor Fuel <u>Tax Rate</u>	Special Fuel <u>Tax Rate</u>
Kansas	\$1,725.00	\$ .15*	\$ .17**
Arkansas	1,044.00	.135	.125
Missouri	1,719.50	.11	.11
Iowa	1,695.00	.20	.225
Nebraska	1,280.00	.182	.182
Colorado <sup>1</sup>		.18	.205
Ok1ahoma	948.00	.16	.13
North Dakota	734.00	.17	.17
South Dakota	1,475.00	.18	.18
Texas	840.00	.15	.15

<sup>\*</sup> The Kansas motor fuel tax would increase to  $\frac{\$.16}{9}$  per gallon in 1991,  $\frac{\$.17}{9}$  per gallon in 1992, and  $\frac{\$.18}{9}$  per gallon in 1993.

This chart reflects tax increases proposed in H.B. 2014 as passed by the House.

Kansas Motor Carriers Association March 1989

<sup>\*\*</sup> The Kansas special fuel tax would increase to  $\frac{\$.18}{9}$  per gallon in 1991,  $\frac{\$.19}{9}$  per gallon in 1992, and  $\frac{\$.20}{9}$  per gallon in 1993.

<sup>1</sup> Colorado registration fees are based on the vehicle's unladen weight.

# REGISTRATION FEE REVISIONS PROPOSED IN HOUSE BILL 2014

### PROPOSED REVISIONS IN TRUCK REGISTRATION FEES:

	RE	GULAR	LOCAL &	6,000 MILE	FA	ARM
GROSS WEIGHTS	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
Less than 12,000 lbs.	25.00	35.00	-			
12,001 - 16,000 lbs.	75.00	100.00	47.00	60.00	25.00	35.00
16,001 - 20,000 lbs.	100.00	130.00	75.00	100.00	30.00	40.00
20,001 - 24,000 lbs.	150.00	195.00	100.00	130.00	42.00	50.00
24,001 - 30,000 lbs.	235.00	310.00	135.00	175.00	62.00	70.00
30,001 - 36,000 lbs.	285.00	370.00	160.00	210.00		
36,001 - 42,000 lbs.	360.00	470.00	185.00	240.00		
42,001 - 48,000 lbs.	460.00	600.00	235.00	310.00		
48,001 - 54,000 lbs.	615.00	800.00	315.00	410.00		
54,001 - 60,000 lbs.	765.00	1,000.00	360.00	470.00	150.00	180.00
60,001 - 66,000 lbs.	915.00	1,200.00	440.00	570.00	300.00	360.00
66,001 - 74,000 lbs.	1,175.00	1,525.00	575.00	750.00	500.00	600.00
74,001 - 80,000 lbs.	1,325.00	1,725.00	675.00	880.00		
$80,001 \div 85,500$ lbs.	1,475.00	1,925.00	775.00	1,000.00		

### PROPOSED AUTOMOBILE REGISTRATION FEES:

WEIGHT CATEGORY	CURRENT	PROPOSED
0 - 3000 lbs.	13.00	25.00
3,001 - 3,999 lbs.	16.25	25.00
4,000 - 4,500 lbs.	19.50	25.00
over 4,500 lbs.	26.00	35.00

### PROPOSED TRAILER REGISTRATION FEES:

WEIGHT CATEGORY	CURRENT	PROPOSED
8,000 lbs. or less	10.00	13.00
8,001 - 12,000 lbs.	15.00	20.00
Over 12,000 lbs.	25.00	35.00

### Information provided by:

Kansas Motor Carriers Association 2900 South Topeka Blvd. P.O. Box 1673 Topeka, Kansas 66601

3/89

12-8



### KANSAS DEPARTMENT OF REVENUE

### DIVISION OF PROPERTY VALUATION 526 South, Docking Office Bldg. Topeka, Kansas 66612-1585

September 8, 1988

Kansas Motor Carrier Association % Mary E. Turkington, Executive Director 2900 South Topeka Blvd. Topeka, Kansas 66601

### Dear Ms. Turkington:

In accordance with your request the following is a comparison of the 1987 and 1988 Kansas Motor Carrier assessments imposed under K.S.A. 79-6a.

Tax Year	1987	1988	<u>%Change</u>
Number of Motor Carriers Assessed	10,756	11,994	+ 11.5
Market Valuation as of 01/01/88 .	6,184,801,604	6,865,580,650	+ 11.0
Mileage Use Allocation Factor	.0478760	.0463863	- 3.1
Allocated Assessed (30%) Valuation	88,831,250	95,540,744	+ 7.6
Penalties and Allocated Assessed Valuation	93,337,943	103,028,470	+ 10.4
Mill Levy	.1152842	.1236554	+ 7.3
Total Taxes Levied	10,760,383.00	12,739,988.00	+ 18.4

If you have any questions concerning this matter, please do not hesitate to call or write this office again.

Sincerely,

Robert M. Badenoch, Appraiser 1V Chief, State Appraised Property Bureau

Division of Property Valuation

Telephone (913) 296-2365

### 1987 Kansas Highway User Taxes

Trucks and Buses in Kansas Paid \$226,919,073 in State and Federal Highway User Taxes

TAX	PASSENGER CARS & MISCELLANEOUS	TRUCKS AND BUSES	TOTAL	TRUCK & BUS % OF TOTAL
Registration Fees Miscellaneous Fees Fuel Taxes Motor Carrier Taxes	\$ 23,858,656 10,050,446 79,966,471	\$ 48,609,779 4,469,124 79,966,470 4,661,827	\$ 72,468,435 14,519,570 159,932,941 4,661,827	67.08% 30.78 50.00 100.00
Total Kansas Highway User Taxes	\$113,875,573	\$137,707,200	\$251,582,773	54.70%

### 1987 Federal Highway User Taxes Paid By Trucks and Buses in Kansas

Motor Fuel Taxes

\$ 64,380,873

The Federal Motor Fuel Tax currently is: \$.151 on Diesel Fuel \$.091 on Gasoline

### Excise Tax on Tires

4,428,000

Tires under 40 lbs. are exempt
Tires more than 40 lbs. but not more than 70 lbs. pay \$.15 per pound tax
Tires 70 lbs. but not more than 90 lbs. pay \$4.50 plus \$.30 per pound tax
Tires over 90 lbs. pay \$10.50 plus \$.50 per pound tax

(The Federal Excise Tax on a typical 11 x 24.5 truck tire would cost some \$36.00.

This would total \$648.00 for a tractor semi-trailer (18 wheeler) combination unit.)

### Federal Heavy Vehicle Use Tax

9,416,000

The Federal Heavy Vehicle Use tax annually is \$100.00 plus \$22.00 per 1,000 pounds of gross weight for vehicles weighing more than 54,999 lbs. gross vehicle weight up to a ceiling of \$550.00 for vehicles weighing 75,000 gross vehicle weight or more.

### Federal Excise Tax on New Equipment

\$ 10,987,000

12% Federal Excise Tax applies on tractors and trucks with a gross vehicle weight rating over 33,000 lbs. and trailers with a gross vehicle weight rating on more than 26,000 lbs.

Total Federal Highway User Taxes Paid by Trucks and Buses in Kansas \$ 89,211,873

The motor carrier industry pays its highway user tax bill PLUS all of the general business taxes paid by all other business and industry in Kansas.

### Distributed by:

Kansas Motor Carriers Association 2900 South Topeka Blvd., P.O. Box 1673 Topeka, Kansas 66601 8/88

### KANSAS HIGHWAY USER TAXES

### TRUCK AND BUS PERCENT OF TOTAL REGISTRATION FEES AND FUEL TAXES

Year	Registration Fees	Fuel Taxes	<u>Total</u> (1)
1970	55.0%	38.5%	43.3%
1971	45.4 <sup>(2)</sup>	39.2	40.6 <sup>(2)</sup>
1972	57.6	39.4	45.3
1973	57.6	40.6	45.9
1974	57.9	41,.7	46.5
1975	61.4	42.4	48.5
1976	61.7	43.2	48.8
1977	61.1	45.4	50.5
1978	61.8	43.2	49.7
1979	63.0	45.5	51.6
1980	64.3	46.7	53.5
1981	66.6	49.9	56.7
1982	64.0	52.4	56.0
1983	62.1	50.7	54.0
1985	67.4	49.8	55.2
1986	66.9	49.7	54.9
1987	67.1	50.0	54.7

TRUCKS AND BUSES PAY THEIR SHARE OF KANSAS HIGHWAY USER TAXES.
THAT SHARE NOW STANDS AT OVER 54 PERCENT

- (1) Total includes miscellaneous fees and motor carrier taxes.
- (2) 1971 was the first year automobiles were registered on the present staggared monthly system. This resulted in additional registration fees collected from automobiles in 1971 which made the truck and bus percentage of total registration fees disproportionately low.

### KANSAS LICENSE TAG FEES PAID BY TRUCKS AND BUSES IN 1987

(Compiled from year end reports of the Division of Vehicles)

### REGULAR

Tag Fee Bracket	Weight Brackets	Number of Registrations	Estimated Tag Fees Paid
\$ 25.00	0 - 12,000 lbs.	546,674	\$ 13,666,850
75.00	12,001 - 16,000	7,340	550,500
100.00	16,001 - 20,000	4,209	420,900
150.00	20,001 - 24,000	5,784	867,600
235.00	24,001 - 30,000	3,818	897,230
285.00	30,001 - 36,000	1,460	416,100
360.00	36,001 - 42,000	1,015	365,400
460.00	42,001 - 48,000	1,253	576,380
615.00	48,001 - 54,000	1,367	840,705
765.00	54,001 - 60,000	413	315,945
915.00	60,001 - 66,000	237	216,855
1,175.00	66,001 - 74,000	214	251,450
1,325.00	74,001 - 80,000	1,011	1,339,575
1,475.00	80,001 - 85,500	947	1,396,825
TOTAL		575,742	\$ 22,122,315

### PRORATED VEHICLES

Kansas and Foreign 27,570 \$ 17,414,259

### LOCAL AND 6,000 MILE

		Local	6,000	
47.00	12,001 - 16,000 lbs.	1,665	294	92,073
75.00	16,001 - 20,000	1,049	234	96,225
100.00	20,001 - 24,000	1,633	413	204,600
135.00	24,001 - 30,000	1,281	270	209,385
160.00	30,001 - 36,000	483	162	103,200
185.00	36,001 - 42,000	385	172	103,045
235.00	42,001 - 48,000	1,029	199	288,580
315.00	48,001 - 54,000	1,650	226	590,940
360.00	54,001 - 60,000	267	139	146,160
440.00	60,001 - 66,000	190	88	122,320
575.00	66,001 - 74,000	83	96	102,925
675.00	74,001 - 80,000	229	134	245,025
775.00	80,001 - 85,500	114	100	165,850
TOTAL		10,058	2,527	\$ 2,470,328

### FARM

Tag Fee Bracket	Weight Brackets	Number of Registrations	Estimated J Fees Paid
\$ 25.00 30.00 42.00 62.00 150.00 300.00 500.00	12,001 - 16,000 lbs. 16,001 - 20,000 20,001 - 24,000 24,001 - 54,000 54,001 - 60,000 60,001 - 66,000 0ver 66,000	27,424 17,263 21,215 15,147 169 121 622	\$ 685,600 517,890 891,030 939,114 25,350 36,300 311,000
TOTAL		81,961	\$ 3,406,284
	TRAIL	<u>ERS</u>	
	Trailers	90,219	\$ 2,255,475
	PERMI'	<u>TS</u>	
	72 - Hour 30 - Day	35,901 4,404	\$ 721,615 217,628
	Total	40,305	\$ 939,243
	URBAN	BUS	
\$ 15.00 30.00 60.00	8 - 30 Passengers 31 - 39 Passengers Over 39 Passengers	43 7 17	\$ 645 210 1,020
TOTAL		67	\$ 1,875
		GRAND TOTAL	\$ 48,609,779

# KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES, AND TRUCK AND BUS REGISTRATIONS

(Comparison of Calendar Years)

Calendar <u>Year</u>	Total Truck & Bus <u>Highway User Taxes 1</u> /	% Increase Over 1955	Truck & Bus <u>Registrations 2/</u>	% Increase Over 1955
1955	\$ 20,471,354		251,188	
1956	\$ 22,266,393	+ 8.77%	254,858	+ 1.46%
1957	\$ 23,045,428	+ 12.57%	258,474	+ 2.90%
1958	\$ 23,902,302	+ 16.76%	258,363	+ 2.86%
1959	\$ 25,172,210	+ 22.96%	268,045	+ 6.71%
1960	\$ 26,675,819	+ 30.31%	275,371	+ 9.63%
1961	\$ 27,515,828	+ 34.41%	286,627	+ 14.11%
1962	\$ 28,728,453	+ 40.33%	298,981	+ 19.03%
1963	\$ 30,377,424	+ 48.39%	309,607	+ 23.26%
1964	\$ 31,207,337	+ 52.44%	320,702	+ 27.67%
1965	\$ 32,973,536	+ 61.07%	335,393	+ 33.52%
1966	\$ 34,934,972	+ 70.65%	348,912	+ 38.90%
1967	\$ 36,682,188	+ 79.19%	363,059	+ 44.54%
1968	\$ 39,135,778	+ 91.17%	380,854	+ 51.62%
1969	\$ 45,621,435	+122.85%	400,581	+ 59.47%
1970	\$ 52,170,362	+154.85%	415,884	+ 65.57%
1971	\$ 55,053,033	+168.93%	438,648	+ 74.63%
1972	\$ 59,780,096	+192.02%	467,327	+ 86.05%
1973	\$ 67,892,557	+231.65%	505,385	+101.20%
1974	\$ 66,929,498	+226.94%	526,312	+109.53%
1975	\$ 71,152,271	+247.57%	539,476	+114.77%
1976	\$ 79,338,733	+287.56%	566,187	+125.40%
1977	\$ 95,567,194	+366.83%	577,303	+129.83%
1978	\$ 97,110,088	+374.37%	599,263	+138.57%

## KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES, AND TRUCK AND BUS REGISTRATIONS

(Comparison of Calendar Years)

Calendar Year	Total Truck & Bus <u>Highway User Taxes 1</u> /	% Increase <u>Over 1955</u>	Truck & Bus Registrations <u>2</u> /	% Increase Over 1955
1979	\$104,935,590	+412.60%	633,464	+152.19%
1980	\$102,423,946	+400.33%	630,070	+150.84%
1981	\$112,341,086	+448.77%	N.A.	
. 1982	\$110,132,000	+437.98%	649,034	+158.39%
1983	\$111,348,000	+443.92%	621,443	+147.40%
1985	\$127,505,923	+522.85%	657,892	+161.91%
1986	\$130,699,935	+538.45%	663,790	+164.26%
1987	\$137,707,200	+572.68%	670,355	+166.87%

### $\underline{\text{NOTE}}$ : $\underline{1}$ / Total does not include ad valorem taxes paid either to the counties or to the state by motor carriers.

<sup>2/</sup> Truck and bus registrations include county reports, quarterly payments, urban buses and Kansas prorates.

N.A. -- Not Available. Kansas was in the process of registering light trucks on a staggered basis instead of annually. Consequently many light trucks were registered twice in 1981 and an accurate truck count was not available.

# SUMMARY OF KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES (Comparison of Calendar Years)

	Truck & Bus	KCC			Motor Fuel Taxes			
Calendar Year	License Tag Fees	Regulatory Fees	Miscellaneous Fees	Gasoline & LP Gas	Diesel	Total	Gross Total 1/	Net Gain Over 1955
1955	\$ 4,986,324	\$	\$ 711,000	\$ 10,689,603	\$ 564,759	\$ 11,254,362	\$ 20,471,354*	
1956	\$ 8,711,831	\$ 817,720	\$ 547,000	\$ 11,298,679	\$ 891,163	\$ 12,189,842	\$ 22,266,393	\$ 1,795,039
1957	\$ 8,667,655	\$ 796,028	\$ 535,114	\$ 12,039,784	\$ 1,006,847	\$ 13,046,631	\$ 23,045,428	\$ 2,574,074
1958	\$ 9,130,587	\$ 816,076	\$ 581,402	\$ 12,091,216	\$ 1,283,021	\$ 13,374,237	\$ 23,902,302	\$ 3,430,948
1959	\$ 9,662,248	\$ 904,179	\$ 693,667	\$ 12,270,780	\$ 1,641,336	\$ 13,912,116	\$ 25,172,210	\$ 4,700,856
1960	\$ 10,491,693	\$ 911,978	\$ 696,205	\$ 12,615,892	\$ 1,960,051	\$ 14,575,943	\$ 26,675,819	\$ 6,204,465
1961	\$ 11,009,466	\$ 885,505	\$ 863,709	\$ 12,411,182	\$ 2,345,966	\$ 14,757,148	\$ 27,515,828	\$ 7,044,474
1962	\$ 11,677,826	\$ 833,334	\$ 911,678	\$ 12,593,942	\$ 2,711,673	\$ 15,305,615	\$ 28,728,453	\$ 8,257,099
1963	\$ 12,354,746	\$ 946,505	\$ 990,327	\$ 12,837,824	\$ 3,248,022	\$ 16,085,846	\$ 30,377,424	\$ 9,906,070
1964	\$ 12,750,563	\$ 981,423	\$ 1,053,268	\$ 12,962,131	\$ 3,459,952	\$ 16,422,083	\$ 31,207,337	\$ 10,735,983
1965	\$ 13,182,173	\$ 982,592	\$ 1,082,021	\$ 14,242,568	\$ 3,484,182	\$ 17,726,750	\$ 32,973,536	\$ 12,502,182
1966	\$ 13,977,484	\$ 1,066,176	\$ 1,129,245	\$ 14,471,194	\$ 4,290,873	\$ 18,762,067	\$ 34,934,972	\$ 14,463,618
1967	\$ 14,562,689	\$ 1,086,361	\$ 1,132,511	\$ 15,301,781	\$ 4,598,846	\$ 19,900,627	\$ 36,682,188	\$ 16,210,834
1968	\$ 15,376,808	\$ 1,174,636	\$ 1,226,002	\$ 15,984,066	\$ 5,374,266	\$ 21,358,332	\$ 39,135,778	\$ 18,664,424
1969	\$ 16,096,603	\$ 1,277,878	\$ 1,309,694	\$ 19,728,746	\$ 7,208,514	\$ 26,937,260	\$ 45,621,435	\$ 25,150,081
1970	\$ 17,071,662	\$ 1,253,895	\$ 1,694,765	\$ 23,803,277	\$ 8,346,763	\$ 32,150,040	\$ 52,170,362	\$ 31,699,008
1971	\$ 17,867,840	\$ 1,221,916	\$ 1,859,803	\$ 24,634,730	\$ 9,468,744	\$ 34,103,474	\$ 55,053,033	\$ 34,581,679
1972	\$ 21,029,697	\$ 1,950,208	\$ 1,762,761	\$ 24,154,449	\$ 10,882,981	\$ 35,037,430	\$ 59,780,096	\$ 39,308,742
1973	\$ 22,027,247	\$ 2,104,365	\$ 1,846,036	\$ 28,588,815	\$ 13,326,094	\$ 41,914,909	\$ 67,892,557	\$ 47,421,203
1974	\$ 22,241,146	\$ 1,772,741	\$ 2,358,706	\$ 27,120,456	\$ 13,435,448	\$ 40,555,904	\$ 66,928,497	\$ 46,457,143
1975	\$ 25,862,852	\$ 2,126,000	\$ 2,436,234	\$ 28,099,765	\$ 12,627,420	\$ 40,727,185	\$ 71,152,271	\$ 50,680,917
1976	\$ 27,174,735	\$ 2,365,218	\$ 2,594,630	\$ 32,183,079	\$ 15,021,071	\$ 47,204,150	\$ 79,338,733	\$ 58,867,379
1977	\$_35,097,954	\$ 2,437,235	\$ 2,524,005	\$ 40,304,000	\$ 15,204,000	\$ 55,508,000	\$ 95,567,194	\$ 75,095,840
1978	\$ 37,465,617	\$ 3,036,607	\$ 2,670,864	\$ 38,266,000	\$ 15,671,000	\$ 53,937,000	\$ 97,110,088	\$ 76,638,734
1979	\$ 39,722,968	\$ 3,200,932	\$ 2,898,690	\$ 36,028,000	\$ 23,085,000	\$ 59,113,000	\$104,935,590	\$ 84,464

<sup>\*</sup> In, 1955, gross total included \$3,519,668 in ton-mile taxes not shown separately.

# SUMMARY OF KANSAS HIGHWAY USER TAXES PAID BY TRUCKS AND BUSES (Comparison of Calendar Years)

Calendar Year	Truck & Bus License Tag Fees	KCC Regulatory Fees	Miscellaneous Fees	Gasoline & LP Gas	Motor Fuel Taxes Diesel	Total	Gross Total 1/	Net Gain Over 1955
1980	\$ 42,498,608	\$ 3,165,505	\$ 2,854,833	\$ 36,441,000	\$ 17,464,000	\$ 53,905,000	\$102,423,946	\$ 81,952,592
1981	\$ 47,408,827	\$ 3,590,276	\$ 3,773,983	\$ 34,844,000	\$ 22,724,000	\$ 57,568,000	\$112,341,086	\$ 91,869,732
1982	\$ 41,121,000	\$ 4,008,000	\$ 3,386,000	\$ 39,166,000	\$ 22,451,000	\$ 61,617,000	\$110,132,000	\$ 89,660,646
1983	\$ 40,429,000	\$ 3,430,000	\$ 3,512,000	\$ 43,713,000	\$ 20,264,000	\$ 63,977,000	\$111,348,000	\$ 90,876,646
1985	\$ 47,445,823	\$ 4,681,000	\$ 3,838,111	\$ 45,525,932	\$ 26,015,057	\$ 71,540,989	\$127,505,923	\$107,034,569
1986	\$ 48,098,379	\$ 4,561,633	\$ 3,872,500	\$ 48,312,718	\$ 25,854,704	\$ 74,167,422	\$130,699,934	\$110,159,802
1987	\$ 48,609,779	\$ 4,661,827	\$ 4,469,124	\$ 51,721,037	\$ 28,245,433	\$ 79,966,470	\$137,707,200	\$117,235,846

NOTE: 1/ Gross total does not include ad valorem taxes paid either to the counties or to the state by motor carriers.

### Distributed by:

Kansas Motor Carriers Association 2900 South Topeka Blvd., P.O. Box 1673 Topeka, Kansas 66601

#### **TESTIMONY**

# BY THE KANSAS CONTRACTORS ASSOCIATION BEFORE THE SENATE TRANSPORTATION COMMITTEE ON THE ECONOMIC LIFELINES FUNDING PROPOSAL

#### March 23, 1989

Mr. Chairman, and members of the Senate Transportation Committee.

Thank you for the opportunity to appear before you to give some very brief testimony.

My name is Ed DeSoignie. I am the Public Affairs Director of the Kansas Contractors Association. Our association represents over 335 heavy, highway and municipal utility contractor and associate member firms in the Kansas construction industry.

The association appears before you today in support of the Economic Lifelines funding package.

We appeared before the Interim Transportation Committee last fall and the House Transportation Committee and would briefly reiterate that testimony here today. The Kansas construction industry stands ready to handle an expanded highway program at such time as the legislature enacts a highway program.

Thank you for the opportunity to appear before you.

ATT. 13 T&U 3/23/89



PUBLISHERS OF KANSAS GOVERNMENT JOURNAL/112 WEST SEVENTH ST., TOPEKA, KANSAS 66603/AREA 913-354-9565

TO:

Senate Committee on Transportation and Utilities

FROM:

E.A. Mosher, Executive Director

RE:

HB 2014 -- Highways, Highway Finance Act

DATE:

March 23, 1989

The League supports enactment in 1989 of a comprehensive state-local highway Reproduced at the end of this statement are excerpts from the League's convention-adopted Statement of Municipal Policy on this issue.

### Program Objectives

We support the program objectives of HB 2014, as outlined in Section 1. Municipal officials share with others a real concern about the future adequacy of our state highway system, and support (1) added construction and reconstruction to meet priority needs, (2) an increased maintenance level for existing highways and bridges, (3) the maximized use of available federal funds, and (4) the provision of needed system enhancements. In addition, we have a special interest in the stated objective of increasing the state's participation in a transportation partnership with cities and counties. This includes:

- (1) Continuation and expansion of the program for geometric improvements on connecting links;
- (2) an increase in payments to cities for the maintenance of state highway connecting links to \$2,000 per lane mile;
- (3) continuation and possible expansion of the economic development project grant program;
- (4) the allocation of about \$390,000 annually in aid for the transportation of the elderly and handicapped; and
- (5) continuation of the present formula for local sharing of the increased motor fuel taxes.

### Financing the Program

The League, by convention action, has declared that the primary objective of a comprehensive state-local highway program should be to (a) secure the maintenance and preservation of our existing state and local highway system, (b) obtain improvements to our state and local highway system for the safety and convenience of the public, and (c) promote the economic development of the state and its communities.

To secure these objectives, we support an increase in motor vehicle registration fees, an increase in motor fuel taxes, additional transfers of revenue from the general fund to the state highway fund in recognition of sales tax collections from highway users, the issuance of bonds, and "other methods of financing our state and local highway needs." ATT. 14

> T&U 3/23/89

Sales Taxes. The League has not taken a position either for or against a sales tax increase for highway purposes. In considering the sales tax approach, the League Governing Body deferred a formal decision because of the conviction that a statewide sales tax, at this time, is politically possible only with strong support from the Governor. I should add that we continue to support increased local sharing of state sales tax revenue for general government purposes and property tax reduction, by increased allocations to the county-city revenue sharing fund and the local ad valorem property tax reduction fund. Further, we know that some local units will be levying new or increased local sales taxes as a result of reappraisal-classification.

### Financing Components

With this general background, we suggest your serious consideration of the following revenue and finance components for a comprehensive highway program:

- (1) Motor Fuel Taxes. Increase motor fuel taxes by .07¢ per gallon, on a phased-in 4-1-1-1 basis, as provided by HB 2014.
- (2) Registration Fees. Increase motor vehicle registration fees to substantially the same level as set forth in HB 2014.
- (3) Sales Tax Transfer. Increase the sales tax transfer from the general fund to the highway fund to 12% of total collections, as provided in HB 2014.
  - (4) Bonding. Authorize the issuance of bonds, as later discussed.
- (5) Local sharing. Provide for a 40.5% local sharing of motor fuel tax revenues, as provided in HB 2014 and later discussed.
- (6) Program Period. Recognize that we are not going to stop building and maintaining highways at the end of FY 1997, and that it may be essential to conform the timing of program objectives to projected revenue and bond receipts.

### Local Sharing.

We strongly support those provisions of HB 2014 which would continue the present formula of allocating 40.5% of motor fuel tax revenues to the Special City and County Highway Fund. This sharing proportion recognizes that 100% of the revenue from vehicle registration fees, and 100% of the amount from sales tax transfers, is not shared with local units. According to the Supplemental Note, HB 2014 will raise about \$1,322,500,000 during the next eight years. The 40.5% local share of the new fuel tax revenue would amount to about 22.8% of the increase, less than one-fourth of the total.

We call to your attention that 92.8% of the public road mileage in Kansas (132,931 miles) is under the jurisdiction of cities, counties and townships, according to KDOT's "1988 Selected Statistics". While some of these local roads are not large generators of highway user revenues, city streets (excluding connecting links) account for 26.9% of vehicle travel in Kansas, and county and township roads carry another 17.2%, for a total of 44.1%. With the addition of the 1,089 lane miles of city-maintained connecting links, which includes some of the heaviest traveled highways in the state, we would estimate about half of all the travel in Kansas occurs on facilities under local jurisdiction.

To those statistics we add the facts that the local property tax and other local revenue sources do not now permit most local governments to increase even the current level of maintenance of local roads and streets.

To summarize, we think a comprehensive highway system requires a strong state-local partnership; we think local needs are great and growing; and we think a 40.5% sharing of fuel tax increases is both needed and reasonable.

### Bonding

Our convention-adopted policy statement provides: "We support the reasonable use of state indebtedness to finance new state highway improvement projects, in the same manner that local units utilize debt financing for major capital improvements. The use of debt to finance highway projects, limited in term to their useful life, would permit pay-as-you-use highway improvements, stimulate the Kansas economy, and create opportunities for future economic growth."

Bonding for capital improvements is a way of life for cities, as it is, at least one time, for most homeowners, farmers and businesses. There is no way we could have cities, with water and sewer and street facilities, to serve over 78% of the people of Kansas, without bonding. I would estimate the general obligation and utility revenue bonds of cities alone, excluding housing and industrial revenue bonds, is currently about \$1.5 billion.

The League does not support highway bonds for maintenance and operating costs. But we do believe it is logical, appropriate, and in the public interest, to utilize bonds for needed capital improvements -- to use debt for improvements to permit a "use and pay" system, rather than a "pay now and use later" system. We would suggest a bond issue in the range of \$500 million does have a politically realistic chance of passage.

#### STATE-LOCAL HIGHWAYS

The following are excerpts of provisions taken from the 1988-1989 Statement of Municipal Policy of the League of Kansas Municipalities.

- A-1. State-Local Highways—Finance. (1) We urge legislative enactment of a comprehensive state-local highway program for the future of Kansas. The primary objectives of such a program should be to (a) secure the maintenance and preservation of our existing state and local highway system, (b) obtain improvements to our state and local highway system for the safety and convenience of the public, and (c) promote the economic development of the state and its communities.
- (2) To secure these objectives, we support both an increase in motor vehicle registration fees and an increase in motor fuel taxes. Further, the transfer of revenue from the state general fund to the state highway fund should be equal to total state sales tax collections on the sale of motor vehicles. Other methods of financing our state and local highway needs should also be explored.
- (3) We support the reasonable use of state indebtedness to finance new state highway improvement projects, in the same manner that local units utilize debt financing for major capital improvements. The use of debt to finance highway projects, limited in term to their useful life, would permit pay-as-you-use highway improvements, stimulate the Kansas economy, and create opportunities for future economic growth.
- (4) We support significant local sharing of motor fuel tax increases, in recognition of growing local highway needs and state retention of 100 percent of all vehicle registration fee and sales tax transfers. We believe at least one-third of any new fuel tax collections should be distributed to cities and counties through the Special City and County Highway Fund. Both the mileage and vehicle miles of travel on city streets and connecting links is comparable to that of the entire state system, and the mileage of local rural roads is over 100 times greater than the state system. Growing pressures on the property tax base, actually declining in many areas, require more highway user revenues be made available to local units to help secure adequate maintenance and needed improvements to local roads and streets.
- (5) We also recommend consideration be given to establishing a special fund, available to local units and for KDOT use, to finance economic development highway improvement projects which will generate short-term as well as long-term economic growth. These moneys should be available for spur and access routes providing connections to the state system and should focus primarily on those projects which will create economic growth and employment opportunities in the immediate future.

# LEGISLATIVE TESTIMONY

### Kansas Chamber of Commerce and Industry

500 First National Tower One Townsite Plaza Topeka, KS 66603-3460 (913) 357-6321

A consolidation of the Kansas State Chamber of Commerce, Associated Industries of Kansas, Kansas Retail Council

March 23, 1989

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the

Senate Committee on Transportation and Utilities

bу

Ed Bruske President

Mr. Chairman and members of the Committee:

First of all, let me congratulate the Interim Highway Committee for their work in reviewing a number of highway programs this summer and making recommendations that are the basis for the highway proposals being reviewed today.

Also, I'd like to take this opportunity to congratulate our fellow members of Economic Lifelines. They have been meeting for the past year, wrestling with the same problems as it relates to a comprehensive highway program. When that group first started meeting, they were miles apart; but, through a great deal of compromise on everyone's part, we were able to unite as it relates to a highway program for Kansas.

ATT. 15 T&U 3/23/89 The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 55% of KCCI's members having less than 25 employees, and 86% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

KCCI was formed over 60 years ago in Hutchinson, Kansas, on the basis of a need for a highway program for Kansas. Those 50 businessmen who met in Hutchinson realized that a good highway system was the key to any economic future for Kansas. Many of the problems they faced then are the same problems we face today - that being the cost of construction and maintenance of a good highway program. We all know there is a tremendous cost of keeping our existing highway system in good repair and making the necessary improvements to the system for the future, not to mention the individual enhancement programs that are needed for the system as it relates to today and tomorrow's traffic numbers and vehicular speeds and safety.

We can truly appreciate the position of the legislature. In a lot of ways the legislature reflects our own membership. I think it's safe to say that if we had unlimited financial resources, there wouldn't be any question about the need to finance highway maintenance and new highway construction. In fact, it would probably be hard to find a negative vote. However, we realize that it is a very difficult job to balance the other pressing state issues requiring state tax dollars, such as education, servicing the elderly, children's issues, drug and alcohol problems, to mention a few. Consequently, the only thing we can ask you to do is to stretch your vision to the maximum as it relates to a comprehensive highway plan for Kansas. In the process of stretching

your vision, you have to be able to utilize the only financial components available to us at this time — and that being fuel taxes, registration fees, sales tax transfer increase, possible use of sales tax, and bonding. Without these components in a proper mix, the vision of highways becomes a short one.

What concerns us is that when we look back 10 years from now, we'll ask ourselves "why didn't we make the commitment in 1989 - we would have saved millions of dollars."

The majority of the KCCI membership has become aware that the Kansas highway system is the responsibility of all Kansans whether they drive or not. Not a single product could be purchased from a retail outlet if it had not been delivered to that retailer via the highway system.

The highway system in Kansas has historically been our strong link to economic growth. With a population base that ranks 32nd in the United States, we can hardly compete for industry based on our markets. However, we have been able to compete by showing industry that they can supply major markets overnight, primarily to the south and southwest. It's imperative that we keep our highways in excellent condition if we are to continue to offer that unique industrial edge.

I think it is safe to say that you will be criticized for whatever you do as far as highways are concerned. Some will say you didn't do enough, some will say you did too much. In your final analysis, we hope you can have a statewide vision rather than a parochial view. KCCI is a statewide organization, and, as mentioned earlier, not all of our members agree on any subject but we passed through the barrier as it relates to highways.

In closing, highways do not guarantee the economic success of a community or state, but I think they do guarantee against economic failure.

My name is James Dobbins. I am a livestock and grain farmer and live near Goff, Kansas on K-9 highway in Nemaha County.

Having lived along this highway for most of my life, I have noticed in the past few years particularly, just how short-lived the total asphalt overlays last that are applied from time to time in the area where I live.

In February of 1988, the county paper carried a short news release telling that 18.1 miles of overlay was to be accomplished in Nemaha County on K-9 at a cost of \$468,184.74, or an average of \$25,866 per mile. A lot of money to this farm boy. But the road was nice when Hall Brothers finished the project.

It is my observation that the rapid deterioration of the state highway past my residence is caused mainly by semi-trailer trucks carrying heavy loads. Professor Thomas Mulinazzi. a K.U. professor of Civil Engineering wrote in the Kansas Government Journal of February 1986 an article entitled, "Our Roads Can't Take It!". In the article, he cited several references, one of which was a study by the American Association of State Highway Transportation Officials that established it takes the passage of 9,600 cars to equal the effect of the passage of one 80,000 lb. truck, assuming 4 axles at 20,000 lb. each. That's right! One passage of a heavy vehicle equals the passage of 9,600 cars.

To further illustrate, a highway pavement in Oregon was inventoried for cracking after serving mostly light local traffic for 15 years. The section was then used to carry normal interstate highway traffic over a two-year period during completion of a freeway project. Cracking the first 15 years was minor compared to that which occurred after heavy truck traffic was allowed on the section.

Better enforcement of present weight limits would surely help. I have heard of trucks being loaded to a total gross weight of 120,000, which is almost 50% more than the legal limit. Stiff fines should be meted out to such infractions.

In light of this information, which can be documented, why in HB 2014 are heavy truck registrations only being raised about 30 % while passenger car fees are being raised approximately 50%? If heavy trucks are doing the "lions share" of the wear and tear to our state's roads, then should not they be paying the "lions share" of the taxes to repair the roads?

Most transportation officials know trucks are causing much of the damage, but since it appears to be such a politically "hot" issue, most will not admit it publicly. I do not believe the general driving public should subsidize the trucking industry, as is presently being done.

Therefore, I would recommend that HB 2014 be amended so that heavy truck registrations be increased no less than 50%. While that would not go far enough to correct the problem, it would be a step in the right direction.

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### **PUBLIC POLICY STATEMENT**

### SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

RE: H.B. 2014 -- Highway maintenance, construction and funding

March 23, 1989 Topeka, Kansas

Presented by:
Paul E. Fleener, Director
Public Affair Division
Kansas Farm Bureau

### Mr. Chairman and Members of the Committee:

My name is Paul E. Fleener. I am the Director of Public Affairs for Kansas Farm Bureau. We appreciate the opportunity to express our views on the funding of a comprehensive highway maintenance and construction program. The points we will make are from the Resolutions (adopted policy positions ... SEE Attachment) established by farmers and ranchers in our organization.

We want to stress these few points:

- \* Farmers and ranchers want a more equitable distribution formula for monies going to counties and other local units of government. We urge you to amend H.B. 2014 to appropriately, fairly distribute funds through the Special City/County Highway Fund.
- \* We want a **comprehensive** program of highway development and road and bridge construction.
- \* Farmers and ranchers want to see a **good** highway, road and bridge system **throughout** Kansas.
- \* Farmers and ranchers in Kansas are willing to pay a fair share ... an equitable share ... of motor fuel taxes and registration fees for a system of highways that will help our whole state and will assist us in moving our commodities.

  ATT. 17

T&U 3/23/89 \* We **support** the concept of "highway users paying, through gallonage taxes and vehicle registration fees for the construction and maintenance of highways, roads and bridges."

Our support for a comprehensive highway program is based upon achieving equity in three areas: equity in terms of motor fuel taxes, equity in terms of vehicle registration fees, and, most importantly, an EQUITABLE distribution of funds to counties and local units of government in this state.

We have been a participant ... a supportive participant ... in helping this Legislature develop a consensus for each of the past increases in motor fuel taxes and registration fees. In fact in the mid-70's, we suggested an additional increase in motor fuel taxes with the proviso that additional funds be allocated back to local units of government "under a new and equitable formula."

Our definition of "a comprehensive highway program" is one which provides for the general well being of roads and bridges in 105 counties. It is a highway, road and bridge program which is for the good of the whole state. It is an "overall" program. An extensive program.

Farmers and ranchers recognize the opportunity for economic development in rural communities and rural counties will come to pass when there is a road and highway program which will facilitate the movement of goods produced or manufactured in this state.

The most important thing we can share with you today is this very strong feeling among farmers and ranchers: There must be a more equitable distribution formula for local units of government

for our people to give whole-hearted support to a comprehensive highway program. Present law (KSA 79-3425c) provides for an initial \$5,000 payment to each county. Of the balance remaining to be apportioned to local units of government, 50 percent is paid out on the basis of the number of motor vehicles registered, and 50 percent is paid out on the basis of average daily vehicle miles traveled in a county.

We ask this Committee to give your best effort to amending that formula to give major weight to miles of road that a county must maintain and the number of bridges, or the surface area of bridges that a county must maintain. Perhaps the most equitable way to treat this formula would be to make each of the four factors worth 25 percent. We hope a consensus can develop around a formula change to make it more equitable. We solicit ... we sincerely solicit your support for this effort. We will give our full support to a major, comprehensive highway program which accommodates this request.

### POLICY POSITION

#### KANSAS FARM BUREAU

Printed below are policy positions on county bridge construction, county highway fund distribution, and highway development and funding which were adopted by the voting delegates from 105 county Farm Bureaus, representing farmers and ranchers in the 105 counties in Kansas, at the December 4-6, 1988 Annual Meeting of Kansas Farm Bureau.

### Highway Development and Funding

We believe upgrading and improving existing roads and highways is preferable to building additional freeways, limited access highways, toll roads or turnpikes.

We urge that efficiencies be achieved in the operation of the Kansas Department of Transportation and that assurance be provided to protect against misuse of funds through bid-rigging or any other fraud.

We support the concept of highway users paying, through gallonage taxes and vehicle registration fees, for the construction and maintenance of highways, roads and bridges. We support moderate motor fuel tax increases and registration fee increases to provide needed revenues for a highway maintenance and improvement program.

We believe the federal government should provide a tax credit equal to the federal motor fuel tax for ethanol used in motor fuel. We also believe Kansas should continue, past the July 1, 1990 expiration date and until a federal tax credit program is in effect, the 20 cents per gallon of agricultural ethyl alcohol incentive paid to Kansas ethanol producers.

Toll road and turnpike construction in Kansas should not be contemplated unless a feasibility study on any such project shows the toll road or turnpike will pay its own way.

We are opposed to the use of State General Fund revenue to guarantee toll road or turnpike bonds, or to provide for highway construction or maintenance.

Highway design and planning should avoid, where feasible, diagonal routing. Diagonal cuts are most disruptive to agricultural operations.

### County Bridge Construction

We believe there should be county, state and federal government cost-sharing and financing so that bridge construction and bridge replacement may proceed without further delay. Specifications and standards for bridges should be determined cooperatively by state and local engineers to meet local needs. Where practicable, we urge the use of prestressed, precast materials, as well as dirt fills in connection with conservation dams, for bridge construction, as opposed to costly "over-designed," over-built bridges. We further believe that in some cases, low-water bridges would be adequate.

#### **County Highway Fund Distribution**

The present Kansas law which distributes highway user revenues to counties uses a formula which gives excessive weight to motor vehicle registrations. This results in glaring inequities of fund distributions. We support an amended formula with major weight given to miles of county federal aid secondary, rural road and highway travel, number and size of bridges, plus consideration of miles of roads that must be maintained by county highway departments.