	Approved	4-28-90	)
		Date	
MINUTES OF THE <u>House</u> COMMITTEE ON _	Transportation		
The meeting was called to order by	Rex Crowell Chairperson		at
1:30 mmx/p.m. on February 27	, 19 <u>90</u> in roo	m <u>519-S</u>	of the Capitol.
All members were present except:			

#### Committee staff present:

Bruce Kinzie, Revisor of Statutes Hank Avila, Legislative Research Tom Severn, Legislative Research Donna Mulligan, Committee Secretary

#### Conferees appearing before the committee:

Rep. David Heinemann

Mr. Lawrence Stadel, Kansas Marine Dealers Association

Mr. Larry Flynn, Lakeside Marine

Mr. R. E. Hillebrand, Junction City

Mr. R. W. Currence, Topeka

Mr. Duane Sanders, ANR Freight Systems Mr. Bill Whim, Shawnee, Kansas

Rep. Bill Wisdom

Mr. Michael Maier, Consolidated Freightways

Mr. David Lord, Kansas Department of Transportation

Sgt. Tom Jaensen, Topeka

Mr. Harold Holtzman, Wyandotte County

Mr. Lou Nigro, Consolidated Freightways

The meeting was called to order by Chairman Crowell and the first order of business was a hearing on HB-2947 concerning use of sales tax and revenue bonds for the city or county portion of highway construction projects identified as system enhancements.

Representative David Heinemann, sponsor of the bill, briefed the Committee on its contents.

Discussion and questioning by Committee members followed.

The hearing on HB-2947 ended.

The next order of business was a hearing on  $\underline{HB-3004}$  concerning tax refund for motor-vehicle fuel used in boats.

Mr. Lawrence Stadel, Kansas Marine Dealers Association, testified in support of HB-3004. (See Attachment 1)

Mr. Larry Flynn, Lakeside Marine, Topeka, Kansas, spoke in support of HB-3004.

#### CONTINUATION SHEET

MINUTES OF THE House COMMITTEE C	NTransportation	
1.20	February 27	1990
room <u>519-S</u> Statehouse, at <u>1:30</u> xxx./p.m. on	<u>repluary 27</u>	, 19 <u>90</u> .

Mr. R. E. Hilldebrand, Junction City, Kansas, testified in favor of  $\underline{\text{HB-3004}}$ .

Mr. R. W. Currence, Topeka, Kansas, testified in support of  ${\rm HB-3004}$ .

The hearing on HB-3004 ended.

The next business taken up was a continuation of the hearing on  $\underline{\text{HB }2959}$  prohibiting the issuance of special permits by the Secretary of Transportation for certain vehicle combinations.

Mr. Duane Sanders, ANR freight Systems, testified in opposition to  ${\tt HB-2959}$ . (See Attachment 2)

Mr. Bill Whim, Shawnee, Kansas, testified in opposition to  $\underline{\text{HB-2959}}$ . (See Attachment 3)

Representative Bill Wisdom testified in support of HB-2959.

Mr. Michael J. Maier, Consolidated Freightways, testified in opposition to  $\underline{HB-2959}$ . (See Attachment 4)

Mr. David Lord, Kansas Department of Transportation, testified as to a neutral position concerning <u>HB-2959</u>. (See Attachment 5)

Sgt. Tom Jaensen, Topeka, Kansas, spoke in opposition to HB-2959.

Mr. Harold Holtzman, Wyandotte County, Kansas, testified in support of  $\underline{\text{HB-2959}}$ .

Mr. Louis Nigro, Consolidated Freightways, testified in opposition to <a href="https://mx.nigro.ncb/hb-2959"><u>HB-2959</u></a>. (See Attachment 6)

Committee discussion and questioning followed.

The hearing on  $\underline{HB-2959}$  ended.

The meeting was adjourned at 3:25 p.m.

Rex Crowell, Chairman

### GUEST LIST

COMMTEE:Transportation		PATE: 2-27-90
PLEASE PRINT		
NAME	ADDRESS	COMPANY/ORGANIZATION
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JERRY Clhriq	Topens	Consdictated Freighten
DAN Wilson	KAUSAS Cety	Consolidated Freightan
Nedice Boling	Topoka KS	Dopt. Of Revenue
JOHN L. ADAMS	PRAIRIE VILLAGE KS	SELF
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Ken Gudenkaut	Topeka, KS	KPOT
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BartKisse	Stanly KS	Consolilated Frtways
K. J. Krikpatiop	Jot lety, Ko,	Big K maning Inc.
Man Domerville	TOPEKA	KDOT
David Lord	Topeka	KDOT
KICHARd CWALKER	LEE SumIT MO	ROADWAY EXPRESS
IM KASPERSICO	KANSAS Cory R.	Kongsway Express
John G. Lathrop	CAMAS CIA, KS	Kendung Spess Inc.
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GUEST LIST COMM\_\_TEE: Transportation DATE: 2-27-90 PLEASE PRINT NAME ADDRESS COMPANY/ORGANIZATION TURICING TON Topela ansas Moto Corriers Casa 10 Belo Mike Kelley United Parcel Scruice LAWRENCE KS. ANR FREIGHTS 15TEPT ANR FREIGHT SYSTEM 1 Annerman GRIPPAB FANS AS CITY IN ess FREEMAN of she known opelin Ks Motor Cainers Ann



## KANSAS MARINE DEALERS ASS'N., INC.

TESTIMONY

on HOUSE BILL NO. 3004 February 27, 1990

KANSAS MARINE DEALERS ASSOCIATION, INC.

Thank you Mr. Chairman for hearing this bill and to you, the committee for the opportunity to testify on it.

The marine industry continues to grow in Kansas. The average size boat purchase is 17'. Very few of these vessels, 17' to 18' and under have a 40 gallon fuel tank. Most have 12 gallon to 30 gallon fuel tanks.

The current bill states that only those purchasing 40 gallons per fill-up are entitled to receive an 11¢/gallon refund at year end. This discriminates against the majority of Kansas boaters who do not have a 40 gallon tank. It is also discriminatory in the fact that this refund is allowed for Aviation and Farmers. Obviously, airplanes do not use our highways, and the farmers supposedly do not. More obviously, marine vessels (boats), do not use highways either. The marine vessel is strictly used in the water only. The boater should be allowed the same refund as Aviation and Farmers receive.

Therefore, we are asking that ALL boats, regardless of fuel tank size, be allowed to receive an 11¢/gallon refund on boat gas purchases.

We hope you will join us, Kansas Marine Dealers Association, sponsors of this bill, by supporting H.B. 3004.

We'll be happy to respond to questions.

# Statement Presented Before the

House Transportation Committee

on

House Bill No. 2959

by

Duane Sanders

ANR Freight System (Graves)

February 27, 1990

I am Duane Sanders, a lifelong resident of Kansas, employed by ANR Freight Systems, formerly Graves Truck Line. My responsibilities include all of the ANR freight facilities in Kansas.

My written testimony was submitted in the folder of industry information submitted February 22nd. Our company, one of the two major Kansas LTL carriers at the time, began operating triple combination units on the Kansas Turnpike in the middle 60's. Santa Fe Trail Transportation Company, a wholly owned railroad subsidiary, was the first company to operate a set of triples on the turnpike. Our company was the second one to utilize this equipment. We have operated this equipment safely and successfully all of these years.

Through the 70's ANR-Graves operated a minimum of 8 schedules or runs a night. Excellent highway networks, safe drivers and triples capabilities allowed us to open an operation in Lawrence, Kansas in the mid-70's.

As my earlier statement indicated, Oklahoma permitted the operation of triple combinations on the interstate system in the mid-80's. ANR-Graves has operated these units successfully between Wichita, Kansas and Oklahoma City, Oklahoma. We currently operate a minimum of 4 schedules or runs a night.

Since its inception, ANR-Graves has experienced zero accidents in utilizing the triple units.

ANR Freight System-Graves has a network of terminals along I-70 -- those being Lawrence, Topeka, Manhattan, Salina, Hays and Colby. The ability to utilize triple combination units in conjunction with these Kansas markets offers us excellent opportunities to improve productivity and efficiencies.

ANR-Graves operates 16 facilities in the state of Kansas. We employ 412 persons in Kansas and pay \$13,428,429.00 in Kansas wages. This employment in turn helps stimulate growth and revenues in the state through housing, taxes, fuel, services, et al.

One of those 412 Kansas employees is Mr. Roy Roper, the driver who testified at the hearing last Thursday. Mr. Roper is one of 1,821 road drivers employed by our company throughout the ANR-Graves system. His union scale earnings represented something over \$40,000 last year. Mr. Roper has a very good Kansas job!

Mr. Roper indicated that he has worked for his company operating triples since 1985. He has 5 years operating triples combinations without an accident.

ANR company records document such no-accident history. We're proud of our company safety record.

The regulations proposed for the Kansas rulemaking governing operation of triple combination units would require certification of all drivers who would operate such units. Driver certification cards would be required to be carried by all affected drivers as a part of the stringent compliance program envisioned in the demonstration project.

Our company's current employment practices are governed by the Oklahoma triple combination driver qualifications. My employment practices now require me to concentrate on drivers who have a minimum of 8 years driving experience, five of which have been in the operation of at least twin trailer combinations.

Controlling the operation of triple combinations into inclement weather environments is a concern of every company now operating this equipment. The proposed rulemaking regulations clearly state that such equipment "shall not be dispatched during adverse weather conditions, such as those caused by high winds, snow, ice, sleet, hail, fog, mist, rain, dust, smog, or smoke. If adverse weather or road conditions are encountered, the driver of the special vehicle combination (SVC) shall proceed to the next available exit and wait for conditions to improve."

The Kansas Turnpike still would control the eastern gateway of such operations. In other areas, our weather surveillance programs combined with the Kansas Highway Patrol and Motor Carrier Inspection Bureau Stations, will enforce this regulation.

Thirty years of history on the Kansas Turnpike shows utilizing triple combinations on the Turnpike system has been safe and productive. These units are <u>NOT</u> unsafe, as Turnpike Authority accident summaries show. Operation of this equipment affords our industry the opportunity to improve productivity and efficiencies, with profits today measured in fractions of a cent. Turnpike history also shows that these units are compatible with passenger car traffic.

Triple trailer units will NOT take freight away from the railroads.

Under the proposed rulemaking two-year demonstration project, triples will operate only on 4-lane, interstate systems with a five-mile access to freight terminals. They will  $\underline{\text{NOT}}$  operate elsewhere in the state.

Under the proposed rulemaking, strict standards would be imposed to measure the safety performance, equipment requirements, driver qualifications and related operational procedures governing triple combinations.

Companies must qualify individually for the permits and any who abuse that privilege may have their permit revoked. The Secretary may, at any time, discontinue the program entirely.

Kansas jobs, Kansas industries and particularly Kansas shippers directly are affected by House Bill 2959. You have specific information which translates into 7,569 jobs and \$196,759,831.99 in annual payrolls just from the LTL freight companies who seek to operate triples under the two-year demonstration project.

The complexities of administering such a program speak well for a two-year test period. Kansas needs this productivity. Industry jobs will grow.

You heard specific testimony from Mr. Bill Murray, Traffic Manager for the Topeka Plant and Distribution Center for the Goodyear Tire & Rubber Company. I would remind you of the strong statements this representative of an important Kansas industry made on behalf of triples and in opposition to House Bill 2959.

Duane Sanders Statement - page 4

Quoting from the Goodyear statement, Mr. Murray stated:
"As a major consumer of transportation services in this area,
we are in favor of the use of Triple Trailer combinations with a
gross weight of 110,000 LBS.

"We are constantly striving to improve our operations and to remain competitive in the market place by utilizing state of the art technology and the latest in industrial innovations.

We feel that the use of Triple Trailers falls into this category; it is definitely an innovation of existing technology which provides a win-win situation for all parties involved.

" . . . We cannot accomplish this end if we have artificially created barriers to progress."

Goodyear is one major shipper; distribution centers account for literally hundreds more. We ask that you  $\underline{\text{NOT}}$  deny Kansas industries and Kansas people the opportunity to grow. We believe House Bill 2959 should not pass.

#####

# BEFORE THE KANSAS HOUSE TRANSPORTATION COMMITTEE

#### ON

#### **HOUSE BILL 2959**

My name is Bill Whim. I live in Shawnee, Kansas, with my wife Charlotte. I drive for ANR Freight System, as an over-the-road driver, operating out of the Kansas City, Kansas, terminal.

I have been an over-the-road driver for a total of 38 years, during which I have pulled several different combination units, including 45's, doubles, triples, double 45's and have accumulated over four (4) million miles, all of which are accident-free miles.

I have pulled triple trailers on the Kansas Turnpike for over 20 years and I consider them as safe as any other combination I have pulled. In my opinion, they turn better than a 53 foot tractor/trailer unit because they track and turn a corner with less room required for that turn than the 53 foot trailer requires.

One of my fellow drivers testified before this committee last Thursday and indicated (according to a newspaper article which I saw in the Topeka Capital Journal) triples to be unsafe. He also indicated that he was appearing as a representative of some of the other drivers with his company. Believe me, he was not speaking on my behalf. I am here today because of his testimony before you and the statements associated to him, in the newspaper article, concerning the triples.

I feel as a driver who has pulled these combination units for over 20 years that they are safe. I have no fear of pulling triples or any of the other combinations I have experienced over the years while driving in the industry.

If allowed on the interstate system in the state of Kansas, I feel safety will be addressed and the public can be assured the drivers pulling these triple combination units will be aware of the extra length associated with triples and will not only be watching their unit, but all other traffic on the highways with them. I urge the committee to vote no on House Bill 2959.

# HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS SPECIAL PERMITS, LOADS AND VEHICLES

Statement of Michael J. Maier of Consolidated Freightways

#### February 22, 1990

My name is Mike Maier and I am the Kansas City Division Manager of Consolidated Freightways Corporation of Delaware ("CF"). As Division Manager, I have responsibility for the linehaul, or inter-city, movement of freight and equipment, which is the portion of CF's operation that would primarily be affected by this proceeding.

CF had gross revenues in 1989 of approximately \$1.9 billion dollars. Our business is primarily the movement of less-than-truckload freight ("LTL") having a length of haul in excess of 500 miles. As an LTL carrier, we have a network of over 600 terminals and operate many thousands of pieces of equipment. Our operations are nation-wide.

In Kansas, we operate 8 facilities. We employ 158 persons full-time in Kansas, with an approximate payroll of \$6 million.

We have attempted to standardize our linehaul equipment nation-wide to the greatest extent it is possible to do so and still meet the needs of our customers. Accordingly, over 96% of our linehaul fleet is composed of single drive axle power equipment and 28-foot long trailing equipment. The great majority of our linehaul miles are run with this equipment, usually with a power unit pulling two 28' trailers, a combination we call "doubles."

Att. 4

Where legally possible, we utilize one power unit to pull three 28' trailers instead of two, a combination we call "triples."

CF has operated triples in various locations for many years. States where such equipment is operated by CF today are:

Colorado North Dakota

Idaho Oklahoma

Montana Oregon

Nevada Utah

CF has also operated triples in Kansas on the Kansas Turnpike. The triples operation on the Kansas Turnpike began in 1970. In the last three years CF has operated triples for almost two million miles in Kansas as follows:

1987 -- 526,383 miles

1988 -- 659,927 miles

1989 -- 775,383 miles

Triples equipment has had an excellent safety record. In 1989 our overall linehaul accident experience was 2.00 accidents per every million miles of operations, an excellent record. The record of triples, however, was even better by a substantial margin: .26 accidents per every million miles of operations.

### Conclusion

The proposal to reduce the ability of CF and other carriers to obtain permits to use triples in Kansas on certain highways, in addition to the Kansas Turnpike, is a very destructive step. The adoption of this proposal would have an adverse effect on our ability to provide

cost efficient service to our customers. It would also discourage us to expand our operations in Kansas and reduce our need to explore additional investment and the re-domiciling of employees to this progressive state.

On behalf of CF, I strongly oppose adoption of the proposed regulation. Thank you.

# # #

#### STATE OF KANSAS



#### KANSAS DEPARTMENT OF TRANSPORTATION

Docking State Office Building Topeka 66612-1568 (913) 296-3566

Horace B. Edwards Secretary of Transportation Mike Hayden Governor of Kansas

February 22, 1990

#### KDOT TESTIMONY ON HOUSE BILL 2959

Mr. Chairman and members of the committee. Thank you for the opportunity to appear before you today on behalf of Secretary Edwards. The Secretary regrets he is unable to attend the hearing due to a previous commitment.

As indicated in Secretary Edwards' news release of February 6, 1990, he stated "I repeat my earlier expressed regret at the adversarial environment created over the issue of triple trailers between transportation industries in Kansas." The Kansas Department of Transportation is pleased that this committee is considering the question of permitting the use of triple bottom trailers on Kansas highways.

Since the Department was aware of this keen

the Secretary initiated a rule-making interest, procedure featuring a public hearing on this subject. The intent of the public hearing was to allow every interested party the opportunity to publicly express its position and the reasons therefore. As a result of this committee's introduction of legislation relating to triple trailer combinations, the Secretary cancelled the Department's scheduled hearings. To reiterate Secretary Edwards' comments in his news release of February 6, 1990, "The hearings were scheduled to acquire information which either supports or opposes granting permission to the trucking industry to use triple trailers on the interstate highway system in Kansas. And, since the Legislature intends to study the issue and hold hearings, KDOT will not pursue the issue through its own public hearings." Therefore, the Legislature will provide the public forum for the discussion and resolution of this matter.

The Kansas Department of Transportation encourages a thorough review of this issue by the Legislature. We neither champion nor oppose triple trailer combinations operating on Kansas highways; rather, we await action by the Legislature in this matter.

February 27, 1990

To Whom It May Concern:

My name is Louis Nigro, Jr. and I'm here to represent Consolidated Freightways. I have been with CF for 14 years and over 1 million miles of accident free driving. Some of my driving duties are pulling triple combinations or three trailers. First and foremost with CF is safety. Safety is our main priority. CF has a safety program second to none in the United States. We have the facts and figures to prove our point. Our Terminal in Kansas City has 78 active million mile safe drivers and all of whom have pulled triple combinations at one time or another. Consolidated Freightways prides itself on hiring only the best drivers in the United States.

Defeating Bill 2959 in the state of Kansas Legislations would not only generate more revenue in state tax but also generate more revenue in the smaller communities we would be passing through. In addition to more revenues for these smaller communities we would be passing through. In addition to more revenues for these smaller communities, we would also be using lodging and meals.

To sum it all up, passing this legislation will not only benefit my company but also the State of Kansas and it's people in jobs and revenues.

This is a short outline of my views on triples legislation in Kansas.

Ladies and Gentlemen, I would be glad to answer any questions you have on the operation of CF equipment and/or CF's triples policy.

Louis Major Jr.

Thank you.

Louis Nigro, Jr.

LN/tlm