

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

The meeting was called to order by Chairperson Ben Vidrickson at 9:00 a.m. on March 8, 1993 in Room 254-E of the Capitol.

All members were present except:

Senator Brady - Excused
Senator Rock - Excused

Committee staff present: Hank Avila, Legislative Research Department
Ben Barrett, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Martha Ozias, Committee Secretary

Conferees appearing before the committee:

Ron Hein, Legislative Counsel for Mesa
Rebecca Rice, Legislative Counsel for UtiliCorp United and Midwest Energy, Inc.
Robert Haley, Director of Administration for KDOT
Lee Eisenhower, Executive Vice-President, Propane Marketers Assoc. of Kansas
Dave Meneley, Sheriff-Shawnee County
Dr. Stephen G. McClure, Superintendent of Schools, Shawnee Heights USD #450
Anne Smith, Kansas Association of Counties

Others attending: See attached list

The Chairman presented a Resolution urging the United States Congress, the United States Secretary of Transportation, the United States Secretary of Energy and the United States Secretary of Agriculture to reject efforts to impose unrealistic government-mandated fuel economy standards on motor vehicles. Senator Emert made a motion to have this resolution introduced. Senator Tiahrt seconded this and the motion carried.

The committee heard testimony on **SB 330** which would exempt compressed natural gas from taxation. Ron Hein spoke in support of this bill to raise the level of awareness concerning natural gas as a fuel and natural gas vehicles in particular. He expressed concern about the impact on the highway fund and suggested that amendments be structured to insure that the fund is not seriously threatened while encouraging the public in the conversion to natural gas vehicles. He felt this legislation would directly provide a cleaner environment while benefiting the state as a major natural gas producer. (See Attachment A)

Rebecca Rice also spoke in support of this bill as an effort to encourage alternative fuels consumption in Kansas. (Attachment B)

Robert Haley spoke in opposition to this bill out of concern with any decline in the revenues currently projected to be available for the Comprehensive Highway Program. He felt the Department could not afford any reduction in motor fuel taxes and any cap tends to come under a lot of pressure to be expanded or extended. (See Attachment C)

Another opponent of the bill was Lee Eisenhower who expressed concern that if there is a tax exemption to promote the use of clean-air motor fuels, that exemption should be included for propane and all alternative motor fuels. (See Attachment D)

Testimony was also distributed but not read from Bob Totten, Public Affairs Director for the Kansas Contractors Association (See Attachment E) as well as the Fiscal Note (See Attachment F)

Attention was then turned to **SB 390** relating to the use of publicly owned motor vehicles. Sheriff Dave

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES, Room 254-E
Statehouse, at 9:00 a.m. on March 9, 1993.

Meneley spoke in support of this bill as a cost effective program and a deterrent to crime in the neighborhood's where the vehicles are parked. He also pointed out that it was desirable for the deputies and officers to have their vehicle with them so they can respond to emergencies at the event, have accessibility of the red light for traffic control, a siren for emergencies and the accessibility of all the other emergency equipment that is carried in the vehicles. It would also allow an immediate response without delay to natural disasters or other emergencies that may occur away from the event. (See Attachment G)

Dr. McClure explained the importance of having marked patrol cars at a school event as a deterrent to problems. He gave several instances of potential problems which were averted as a result of the public's realization of the presence of law enforcement personnel. (See Attachment H)

Bob Gladfelter echoed these remarks and expressed his belief that the use of sheriff deputies with their county-owned vehicles provide the students and staff security at school functions that cannot be matched by any other sources. (See Attachment I)

Anne Smith expressed concern that the use of county or city law enforcement vehicles for private security employment could expose local governments to additional liability. The school administrators responded by saying that these security employees were covered under the school's liability policy. (See Attachment J)

A motion to approve the minutes of the February 2nd and the February 25th meetings was made by Senator Papay. A second was made by Senator Tiahrt. Motion carried.

The meeting was then adjourned by the Chairman.

The next meeting will be March 9, 1993.

GUEST LIST

SENATE TRANSPORTATION COMMITTEE

DATE: March 8, 1993

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Bob Gladfelter	5900 SW 61 st , Topeka	USD 437
Steve McClure	4401 SE Shawnee Hts Rd. ^{Tecumseh} 66542	USD 450
Sherriff Dave Menley	200 E. 7th, Topeka, Ks.	Shawnee Sheriff
Lo. Eganhauser	701 SW Jackson, " "	Propane Mktg. Assn. of Ks.
VICKIE Woodbury	" " "	" " "
Ron Hein	Topeka	Mesa
Robert Haley	Topeka	KDOT
Jim Ludwig	"	WESTERN RESOURCES
Todd Hare	Overland Park, Ks	Western Resources
TERRY Maple	Topeka	KHP
Anne Smith	Topeka	Ks. Assoc. of Counties
Gregory	Topeka	UtiliCorp & Midcontinent Energy
Mark Wolf	"	Common Cause/Kansas
Kathy Sexton	"	DUB
Tom Whitaker	Topeka	Ks. Motor Carriers Assn
Dedia Platt	Topeka	KDOT
Mark Truel	Topeka	IAP
George Barber	Topeka	Enron
ED SCHAUB	"	WESTERN RESOURCES

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SENATE TRANSPORTATION & UTILITIES COMMITTEE

TESTIMONY RE: SB 330

Presented by Ronald R. Hein

on behalf of

Mesa

March 8, 1993

Mr. Chairman, Members of the Committee:

My name is Ron Hein, and I am legislative counsel for Mesa. Mesa is one of the nation's five largest independent gas producers and currently has approximately 60% of its natural gas reserves in the state of Kansas.

Mesa requested that the Senate Energy and Natural Resources Committee introduce SB 330 for two reasons. First of all, in light of what is occurring at the national level, and in numerous states throughout the United States, we felt that it was important to raise the level of awareness concerning natural gas as a fuel, and natural gas vehicles in particular. Secondly, since Kansas is the fifth largest natural gas producing state in the nation, and since the Hugoton natural gas field ranks among the biggest and best natural gas reserves in the world, Mesa felt that it was important for Kansas to be on the cutting edge of legislation promoting this valuable resource.

Natural gas is a cheap, safe, domestically available, clean-burning fuel. As America turns away from its reliance on expensive foreign oil, cheap, domestic natural gas and Kansas can be major winners.

Several states with EPA designated non-attainment cities are under tremendous pressure to clean up their environment, and as such are taking significant actions to encourage the development of natural gas vehicles. These states are looking at income tax credits for conversion equipment, low interest loans to cities, counties, and school districts to convert their vehicles, exemption of natural gas fuels from fuels tax, and numerous other programs to encourage business and government to convert to cleaner natural gas vehicles. Initially, conversions will most likely be done by vehicle fleet owners and operators.

The Clean Air Act Amendments of 1990 (CAA) are a landmark in the efforts to encourage the use of clean-burning alternative fuels to reduce emissions of harmful pollutants by motor

vehicles. While California had been a leader during the 1980's in developing new programs to address the problems of motor vehicle emissions, the CAA expanded public awareness of vehicle emission problems and focused national attention on alternative fuels as the most practical solution to reduce pollution from cars and trucks.

The recently enacted Energy Policy Act of 1992 (Energy Act) builds on the CAA. It requires federal fleets to purchase 5,000 alternative-fuel vehicles (AFVs) in fiscal year 1993, increasing to 75% of fleet purchases in fiscal year 1999 and thereafter. It requires state fleets to begin acquiring AFVs, beginning with 10% of all vehicles acquired in model year 1996, and increasing to 75% in model year 2000. Beginning in model year 1996, 30% of the new vehicles acquired by "alternative-fuel providers," including natural gas distribution and transmission companies, must be AFVs. By model year 1999, this percentage increases to 90%. The government fleet provisions apply to fleets of 50 or more vehicles with at least 20 or more centrally fueled vehicles at any one location in all metropolitan areas with populations greater than 250,000. Private and municipal fleet purchasing requirements begin to phase-in in model year 1999, if the Secretary of Energy, by rule, implements these requirements. These fleet requirements are somewhat different than the fleet requirements in the CAA, which take effect in 1998. A detailed summary of the Energy Act is attached as Appendix A.

Today, there are approximately 40,000 vehicles powered by natural gas. By the year 2000, 10% of all cars may be running on natural gas. President Clinton is expected to order the federal government to convert all 350,000 vehicles in the federal fleet to natural gas in the near future.

Motor vehicles account for approximately 40% of the ozone and 65% of the carbon monoxide pollution in the United States. Natural gas vehicles reduce carbon monoxide by 95%.

A natural gas vehicle will emit approximately 300-400 fewer pounds of pollutants per year than a gasoline powered car. This will help clean the environment, and hopefully avoid health problems relating to those pollutants.

Converting to natural gas will help the United States' balance of trade. Forty percent of the U.S.A.'s trade deficit results from importation of foreign oil. The United States could reduce consumption of oil by 500,000 barrels per day by the year 2000 if 10 million vehicles converted to natural gas.

Are natural gas vehicles safe? Yes, they are safer than gasoline powered vehicles. The gas tanks will not rupture, and studies indicate it would take a 44 caliber armor piercing bullet to pierce the cylinder.

Even if the cylinder was punctured, the gas would simply escape, and would quickly disperse throughout the air since natural gas is lighter than air.

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Mesa understands that there may be some concern raised about the impact on the highway fund. First of all, there are so few natural gas vehicles in the state right now that any impact would be minimal. In addition, conversions will be predominantly by fleet vehicles, and many of the natural gas vehicles that will convert will be city, county, and school board vehicles, which are already exempt from payment of the fuels tax.

Mesa is encouraging this type of legislation in order to jump start the natural gas vehicle industry, and does not desire for the exemption from fuels tax to be detrimental to the highway fund. We would recommend, if the legislature is desirous of passing SB 330 this year, that amendments be placed on the legislation to provide for a two-year sunset clause, or a sunset in the event that the cost to the highway fund reaches a certain level, such as \$250,000, or that the legislation be structured so that an individual is only entitled to the exemption for the first two or three years, and thereafter is subject to tax.

If the conferees have concerns about the impact on the highway fund, Mesa is hopeful that amendments can be structured to insure that the fund is not seriously threatened, while still providing a message to the public that conversion to natural gas vehicles is to be encouraged.

Often times there is considerable lip service paid to having a cleaner environment. This legislation will directly provide a cleaner environment, while benefiting the State of Kansas (since it is a major natural gas producer) at minimal cost.

I have also attached several newspaper articles for your information and would urge you to read some of the exciting things that are going on throughout the country.

Thank you very much for permitting me to testify, and I will be happy to yield to questions.

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LUCE PRESS CLIPPINGS

REPORT

U Trucking

UPS SEES COMPRESSED NATURAL GAS AS BEST ALTERNATIVE FUEL

United Parcel Service is moving ahead in the quest for alternative fuels, with the opening of a "quick fill" natural gas station in Oklahoma City. The station will



provide cleaner burning natural gas fuel for 70 delivery trucks in the area. Another such station is slated to open in Tulsa next March. UPS officials note that this is the largest alternative fuel project being undertaken by a private U.S. company.

Oklahoma certainly made the project an enticing one for UPS, offering a 50 percent investment tax credit for building the stations and maintaining the fleet. The state passed an Alternative Fuels Conservation Act to capitalize on its massive supply of natural gas reserves, the third largest in the nation.

The project is expensive: not only do the trucks have to be modified, at an average cost of \$3,500-\$4,000, but a "quick fill" station costs about \$1 million to build. That's because of the technology needed to bypass normal "trickle filling," which can take up to eight hours in favor of more efficient 4-5 minute "quick fills."

There are environmentalists convinced that compressed natural gas is not the best alternative fuel, since it is not renewable. It may be cleaner than most fossil fuels, they say, but it doesn't solve the root problem. UPS Vice President, Tom Hardeman, doesn't agree. "I'm convinced that we have at least a 100-year supply of CNG [in this country], and it burns much cleaner than gasoline or diesel." Tests in New York City showed a 22 percent reduction in Nitrogen Oxide and an 86 percent reduction in hydrocarbons, two of the leading causes of air pollution.

Hardeman notes that UPS has experimented with a wide range of alternate fuel sources. Electric trucks, at \$250,000 each, proved too expensive. Methanol tests in California collapsed because the supplier vanished midway through the project. Stratified-charge engines, capable of burning practically anything as fuel, were banned in many states because they emitted "excessive particulates" (commonly known as gunk from the exhaust pipe). Between 80-90 percent of UPS's Canadian fleet runs on propane, but Hardeman says the availability of that fuel is a problem within the company's massive U.S. network.

"From our viewpoint, compressed natural gas is the best application for our business," he says. The drawback, of course, is that it too is limited in availability. "We can only do this in areas where we can have trucks centrally fueled." He hopes that other states take Oklahoma's approach and offer incentives for further development. "It's hard to bring people to the table on these issues without some type of financial

incentive," Hardeman notes.

In addition to the reduced emissions, UPS has seen a decrease in maintenance costs with the CNG-burning vehicles, from an average of \$27.54 to \$26.60 per day.

Natural gas--the cleaner, safer auto fuel

By ANNETTE KINGSBURY
Leader Editor

If you're planning to visit the North American International Auto Show at Cobo Hall this week, you might want to stop by and see one of the few American production cars powered by natural gas.

It's a GMC truck, and according to John Weber of Oxford, if it wasn't for the mirrors showing off the gas tank, you'd never guess there was anything special about it.

Weber, a former GM program manager for gas vehicles, now has his own consulting firm, Global Automotive Consultants. He travels the world talking up the virtues of the natural-gas-powered car.

"People have been converting vehicles to run on natural gas for 40 years," he said. In fact, president-elect Bill Clinton's energy secretary drives one. The only big modification to the car is the gas tank.

Right now finding and refueling a natural-gas-powered car is quite a challenge. But in the next few years, a network of gas stations should be in place to fuel them. And Uncle Sam is offering a tax deduction.

The new gas tank is much stronger than a conventional gasoline tank. That's necessary because natural gas is always a gas, never a liquid, like gasoline.

"The gas is injected into the engine in much the same way (as gasoline)," Weber said. Natural gas has a higher octane rating and burns hotter, and therefore does require a few changes in the engine fittings, he said.

So why natural gas? For one thing it's cleaner. In

addition to meeting all federal emission standards, each car emits 300-400 fewer pounds of pollutants per year than a gasoline-powered car.

"These are toxic substances," Weber said. They cause smog, they cause ozone problems, they cause health problems."

Natural gas is also plentiful here in the U.S. and will never be dependent on the whims of foreign governments. "We have an abundant US supply," Weber said. "If one million vehicles today were to convert to natural gas, it would increase consumption by less than one percent . . .

"Natural gas will decrease reliance on foreign oil. And it's much less costly. You don't have to refine it."

The one major adjustment is in refueling. You won't find compressed natural gas stations on every corner. Not yet, anyway. Weber said conversion will be a fairly major investment.

"You have to add a fairly large compressor," he said, in order to "fast fill" a steady stream of cars. In the future, car owners may be able to "slow fill" their cars overnight with small home compressors tied into their home gas line via a small compressor.

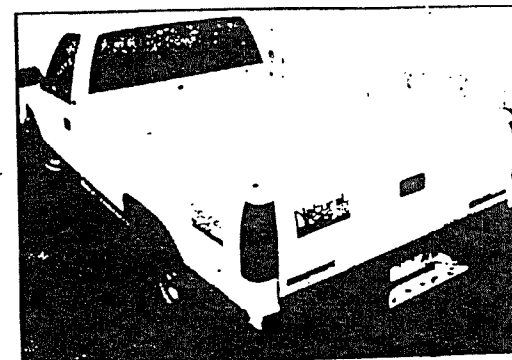
As might be expected, the folks at the gas companies are excited about the new cars. Home furnaces are getting more and more efficient," said Don Harning, senior marketing services engineer with Consumers Power. "This is an area of new growth for the company."

There will soon be an Amoco station opening in Auburn Hills that will service natural gas cars, said Ed Steelman, another CP spokesman. Right now drivers have to travel to the Renaissance Center, or make arrangements with a private company which has provisions to refuel its own fleet.

"We're working to develop a network of public filling stations," Harning said.

What about safety? Weber said crash tests have shown the natural-gas car to be much safer because the gas tank won't rupture.

"Gasoline tanks tend to explode on impact," Weber said. "Natural gas tanks do not. The reason is the natural-gas tank is so much stronger." He admits the tank, which is



If it weren't for the decal on the back, you'd never notice this truck was powered by natural gas.

made of aluminum wrapped in fiberglass, will add to the cost of the car.

"Basically it takes a 44-caliber armor-piercing bullet to pierce the cylinder. And when it pierces there's no explosion. It (the gas) just escapes."

And it doesn't pool on the ground, waiting to ignite, because it's lighter than air.

Weber expects president-elect Clinton to quickly order the federal government's 350,000-auto fleet to convert to natural gas. By the year 2000, he expects 10 percent of all cars to be on natural gas.

Meanwhile, provisions of the Clean Air Act require the federal government to begin converting its fleet. Individual car owners will be able to take advantage of a \$2,000 tax deduction beginning in 1993 for converting cars or purchasing new cars powered by natural gas, Harning said.

"So it won't replace gasoline but it'll sure segment the market," Weber said. "It's the primary alternate fuel of choice."

Oxford, MI
Leader

Detroit Met Area

Wednesday

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GMC Sierra Truck

The choice for today's environmentally conscious driver

During the 1992 model year, GMC Truck built and sold more than 2,000 natural-gas Sierra full-size pickup trucks.

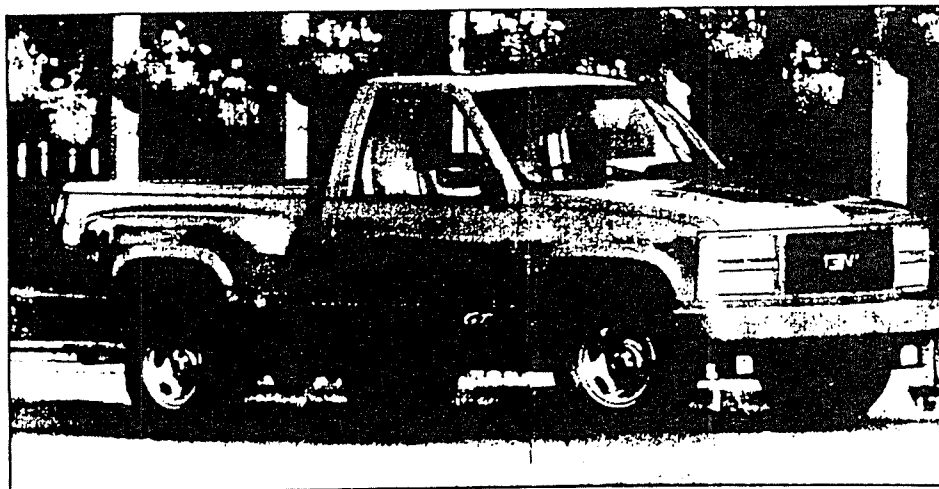
The 1992 Sierras were designed and optimized to run only on natural gas by GMC Truck. These units were covered by GMC Truck's three-year/36,000-mile power-train warranty and fully certified for sale in all 50 states.

For the 1993 model year, GMC Truck continues as the active leader in natural-gas vehicle technology.

In addition to GMC Truck's 1992 gaseous-fueled offering a 2500 series Sierra two-wheel-drive pickup, production will be expanded to include a 1500-series Sierra of the same configuration.

The engine powering both pickups is a dedicated natural-gas version of the heavy-duty 5.7-liter V8 engine. Specifically designed to run on natural gas, this engine produces approximately 175 horsepower at 4000 rpm and 270 lb-ft of torque at 2400 rpm — virtually the same as GMC Truck's gasoline-powered 5.0-liter V8.

Both pickups are built alongside standard gasoline-powered vehicles in Pontiac, Michigan, and are only



GMC Sierra Truck

equipped with natural-gas fuel systems. The natural-gas vehicles main elements include three D.O.T.-certified aluminum-lined composite fuel cylinders measuring 8.75" x 64.5."

Fuel-fill location is unchanged, and when the tanks are filled to their 3600 psi maximum, a range of approximately 200 miles can be expected. Operating advantages of

the single fuel natural-gas Sierra pickups include lower operating costs and a cleaner exhaust, with reduced hydrocarbon and carbon-monoxide emissions.

In addition to offering two factory-produced natural gas-powered Sierra pickups, GMC Truck is expanding their alter-native fuel program for 1993.

The expanded program offers

a specially prepared gaseous-fuel 5.7-liter V8 engine in two different product lines — the Sierra pickup truck (in two GVWR categories) and the Rally/Vandura full-size vans (3500-series models). Customers choose the fuel, or combination of fuels, on which their vehicle is to operate: natural gas, propane, gasoline, gasoline/propane, or gasoline/natural gas.

The American Gas Association has estimated that 500,000 natural-gas cars and trucks could be on the road before the turn of the century.

Each unit is built to the customer's specifications and delivered to the appropriate GMC Truck dealer who then turns the vehicle over to a conversion specialist.

The American Gas Association has estimated that 500,000 natural-gas cars and trucks could be on the road before the turn of the century. Member utilities are committed to building convenient refueling facilities around the country and GMC Truck has committed to do its part as the automotive manufacturing leader in this field.

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Peoples Natural Gas Spearheads Alternative Fuel Vehicle Program

The Hugoton Peoples Natural Gas office is participating in a spearhead program which is helping to lead the nation in the use of natural gas powered vehicles. This office and each of nine regional Peoples offices received a Sierra natural gas pickup this fall.

The trucks are among the first natural gas vehicles ever manufactured off the General Motors Corporation assembly line. "It's such a new thing...we're pioneers", remarks Ed Cole, regional manager of the division office in Hugoton.

A brochure on the vehicle states that the unit captures a 5.7L natural-gas-powered engine. Fuel injectors and valves help regulate the three aluminum-lined composite fuel cylinders located under the chassis.

The pickup has complete emissions certification and is fully validated to federal safety standards. The minimal weight addition to the standard truck is 156 pounds. It will operate in an approximate 200-mile range at 3600 psi and at a 166-mile range at 3000 psi. It has a three year/36,000 mile GMC truck warranty.

The changes in the truck costs about \$5,000 more to purchase, Cole advises. "As soon as they sell more it will be cheaper (to buy). The first 2,000 units will cost that much."

The truck will be used for demonstration purposes in the community.

Cole explains that the truck will be fueled at a point behind the People's building during overnight hookups. The process is actually a slow-fill transfer of compressed natural gas to the truck's three tanks. A faster fill system is available for a higher cost, \$150,000. People's felt the use of this truck would not warrant the extra expense.

The tanks fill at about one gallon per hour. The fast-fill systems fill the tanks in about three minutes. Cole states that a new compressed natural gas filling station being planned by the Hugoton Phillips 66 station will have the fast-fill unit. Liberal is also in the process of getting a public CNG fueling station.

The Peoples' fueling system was made in Canada and has been purchased through a Salt Lake City concern, Cole says the Canadians are much farther

into compressed natural gas use in vehicles than we are.

Soon after Peoples received their natural gas pickup a short delay was experienced because they discovered they needed to install a dryer. The dryer has been added. "After we got going...no problems," Cole says.

The use of compressed natural gas vehicles has been promoted in the state lately by Governor Joan Finney and Mesa Inc. head T. Boone Pickens.

A compressed natural gas 1992 Chevrolet Lumina was demonstrated in connection with the Kansas Corporation Commission's public hearings in November. It was filled at public stations located in Topeka and Lenexa. There are a number of private fill stations across the state too.

Pickens has endorsed the use of compressed natural gas in commercial and government vehicles. He even made an offer to convert commercial and government vehicles to natural gas and to construct fueling stations. In return, vehicle owners would buy natural gas from Mesa at the same price as gasoline. He has recently made similar offers in the states of Louisiana and Arizona.

The Department of Energy has offered some money so that school systems can convert their bus fleets to natural gas, according to Cole. Until there is more widespread use of the environmentally desirable compressed natural gas, the most effective use of the systems will be for fleets of vehicles such as school buses, delivery vehicles and business that have vehicles which have limited routes.

Ray Hoggatt, Environmental Regulatory Technician for Mobil Oil, Inc. in Hugoton, has a good report to make on their fleet of four CNG vehicles. Right now, however, they are hampered because of a lack of a public fueling station in Hugoton.

Work is continuing on the first public fueling station to be in place at the Phillips 66 station at 500 S. Main.

Hoggatt reports that CNG is comparable with gasoline, a little less power, but it is very clean burning...98%. The cost of the gas per gallon in Topeka is about 70¢ and can range to 75¢ per gallon. There are public fueling stations in operation at Tulsa and Oklahoma City in Oklahoma, too, he says.

Mobil Oil Inc. is in compliance with the Clean Air Act, Hoggatt points out, with the use of their CNG vehicles.

The new Energy Policy Act of 1992, which was enacted on October 8, sets new requirements of federal, state and large private fleets. It requires that a certain percentage of the vehicles be replaced with new alternative fuels' vehicles. This is done to create a market for the vehicles. The bill's provisions, according to the Natural Gas Vehicle Coalition, touch many economic sectors in the nation.

An increased level of conversion each year will result in 125,000 to 160,000 alternative

Continued on Page 4

(Continued from Page 1)

fuel vehicles in the federal government by the end of the decade. This same strategy was used to introduce seat belts, rear window brake lights and air bags.

The state governments will begin with ten percent of their fleets converted to alternative fuels in 1996. Each year thereafter a higher percentage will be required until a 75% level will be reached in 2000.

Private and municipal fleets of 50 or more vehicles will have to phase in 20% of their fleets to AF vehicles in 1999.

Private sector fuel providers are required to phase-in light duty units beginning with 30% of their new fleet vehicles starting in 1996. This stipulation is expected to result in the conversion within the gas industry alone of some 96,000 natural gas vehicles by 1999.

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The Hugoton Hermes

Thursday, December 31, 1992

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The tax incentives built into the bill for businesses and individuals on the incremental cost of AFVs (over gasoline and diesel vehicles) allows \$2,000 for vehicles up to 10,000 pounds gross vehicle weight (gvw); \$5,000 for vehicles between 10,000 and 26,000 gvw; and \$50,000 for vehicles above 26,000 gvw.

Qualifying tax deductions for businesses installing fueling stations are up to a \$100,000 ceiling. Taking into consideration depreciation already allowed for business deductions, the vehicle and station, in terms of real dollar value, the business deductions equate to \$111 for light duty vehicles; \$263 for medium duty vehicles; \$2630 for heavy duty vehicles; and \$5539 for stations (at the \$100,000 deduction level).

For individuals claiming a tax deduction on a light duty vehicle, the cash value of a \$2000 deduction (assuming 30% tax rate) is \$600.

The tax deductions begin June 30, 1993 (there is no "grandfather" clause for conversions or fueling stations installed before then), and begin to phase out in 2001, ending in 2004.

Also, the bill allows for a low-interest loan program to fund the incremental costs of vehicle conversions and purchases including non-road vehicles. Preference will be given to repayment schedules that enable the loans to be repaid by the borrower from the cost differential between gasoline and the alternative fuel.

Language included allows gasoline retailers to sell natural gas at the fuel pump without being subject to regulation as a utility. It codifies a FERC rule providing an exemption from the Natural Gas Act for non-utilities selling natural gas as a vehicle fuel; provides an exemption from the Public Utility Holding Company Act for the sale of VNG; and preempts state laws in effect prior to January 1, 1989 with respect to regulation of VNG.

These changes have overcome substantial regulator hurdles that have blocked fuller development of the natural gas fueling infrastructure.

The legislation provides funding for dedicated alternative fuel school buses which will be made available for the incremental costs of new purchases, conversion that meet warranty requirements and for fueling stations.

Authorized funding for the bus program which has not been appropriated will be \$30 million for each of the fiscal years 1993, 1994, and 1995.



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TESTIMONY PRESENTED TO THE
SENATE TRANSPORTATION AND UTILITIES COMMITTEE
re: SB 330

March 8, 1993

by: Rebecca Rice
Legislative Counsel for UtiliCorp United and Midwest Energy, Inc.

Thank you Mr. Chairman and members of the committee. I am Rebecca Rice and appear before you today on behalf of the three divisions of UtiliCorp United: Peoples Natural Gas, Westplains Energy, and Kansas Public Service. I also represent a separate utility, Midwest Energy, located in Hays, Kansas. Collectively, these utilities provide service to over 200,000 Kansans from Lawrence to Hays to Goodland, Kansas.

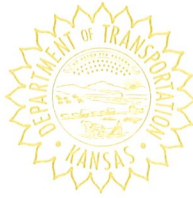
I am pleased to now appear on behalf of these utilities in support of SB 330. This legislation will assist in the effort to encourage alternative fuels consumption in Kansas. Exempting compressed natural gas from the motor-fuel tax will underline, to the nation, Kansas' commitment to promotion of CNG.

As many of you are aware, I previously represented Amoco Corporation which actively supported the promotion of compressed natural gas usage in Kansas. I, therefore, have gained some knowledge about compressed natural gas.

Compressed natural gas is emerging as the leading "clean-burning" alternative to gasoline and diesel fuels in the transportation market. Utilities, natural gas groups, vehicle manufacturers, and environmental groups support the marketing of compressed natural gas as a transportation fuel. Such marketing is still on new ground and less than immediately profitable. Kansas has taken strides to encourage marketing through past legislation. The Governor has publicly advocated the use of compressed natural gas, promoting the conversion of fleet vehicles and the opening of a retail fueling station in Topeka. Compressed natural gas is a valuable state resource, and Kansas can only benefit from continued support of these efforts.

I am pleased to be able to offer our support of Senate Bill 330.

Thank you, Mr. Chairman.



KANSAS DEPARTMENT OF TRANSPORTATION

Michael L. Johnston
Secretary of Transportation

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Joan Finney
Governor of Kansas

**TESTIMONY BEFORE THE
SENATE TRANSPORTATION AND UTILITIES COMMITTEE
REGARDING S.B. 330
MOTOR FUEL TAX EXEMPTION
FOR NATURAL GAS
March 8, 1993**

Mr. Chairman and members of the Committee:

My name is Robert Haley and I am Director of Administration for the Kansas Department of Transportation. I appreciate the opportunity to appear before the Committee, on behalf of the Department, to oppose the passage of Senate Bill 330. This should not be interpreted as opposition to the use of compressed natural gas as a motor vehicle fuel. The Department's opposition only reflects concern with the financing of highways.

The State of Kansas currently applies a highway user's tax, in the form of motor fuel taxes, on all fuels, except electricity, used to power vehicles on the state's roads and highways. As the use of alternative fuels increases, the state should not expect revenues to decline. The Department is very concerned with any decline in the revenues currently projected to be available for the Comprehensive Highway Program.

When the Department asked that the rating agencies assign a rating to the Department's bonds, one of the key concerns was the stability of the projected motor fuel revenues over the 20-year life of the bonds. The fact that Kansas had the taxes in place to accommodate a shift to almost all alternative fuels was a consideration in the credibility of the revenue projections and the favorable "double A" rating assigned to the bonds.

The Department would be concerned with this bill even if amended to provide a cap on the loss to the Highway Program. We are concerned for two reasons: one, the Department cannot afford any reduction in the motor fuel taxes and two, any cap tends to come under a great deal of pressure to be expanded or extended.

In conclusion, the Department is concerned with and would respectfully oppose the passage of Senate Bill 330.



Propane Marketers Association of Kansas

STATEMENT
BY
LEE EISENHAUER

CONCERNING SENATE BILL 330

Presented Monday, March 8, 1993 to the
Senate Transportation & Utilities Committee
Sen. Ben Vidricksen, Chairman

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Lee Eisenhauer, executive vice-president of the
Propane Marketers Association of Kansas.

I appreciate your allowing me this time to comment on
Senate Bill 330, exempting compressed natural gas from
taxation.

I would fully support the exemption of motor fuel taxes
from all clean-burning, alternative motor vehicle fuels in
order to protect our environment while, at the same time,
promoting Kansas industry. Senate Bill 330, however,
provides exemption for the use of only one of those fuels,
compressed natural gas, rather than all of those
recognized as fuels to clean the environment in the National
Energy Policy Act of 1992.

During the past year, the Kansas Corporation
Commission's Alternative Fuels Division and members of the
various alternative fuels industries have combined efforts
to provide education and information to Kansans regarding
all alternative motor fuels. Seminars have been held in
Overland Park, Topeka, Wichita and Hays. Another will be
conducted in Pittsburg on April 22. A copy of the agenda
from last Thursday's seminar is attached to your copy of
this testimony.

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In addition to these informational seminars, the first Alternative Fueled Vehicle Roundup was held at Forbes Field last June at which vehicles were displayed, demonstrating the current technology available. The "open-to-everyone" show was so successful in providing information to everyone from government officials to fleet managers, to school districts, to the general public that a second Roundup will be held on June 11 and 12, 1993. I hope you'll be able to attend.

I know that many of you are already aware that propane has powered vehicles for over seventy years - everything from tractors, individual passenger cars and pickups, to fleets of school buses, delivery vans, garbage trucks, city buses and trolleys, and even police cars.

Prior to the increased concern for the environment, vehicles were converted to propane use for economic reasons - lower cost of fuel and longer engine life. Now, adding to those advantages, attention is also drawn to the fact that it is (and always has been) a clean-air fuel, not adding to the pollution of our environment; and as such, is included as one of the alternative fuels in the National Energy Policy Act of 1992.

Like natural gas, propane is a Kansas industry - approximately two-thirds of the product sold is processed from natural gas, and approximately 250 retail propane marketers are a portion of Kansas' small businesses which are affected by the depressed farm economy, and are struggling to survive. Underground storage of propane in Kansas is the second largest in the U.S.

Attached to your copy of this testimony is additional information about propane and a brochure specifically addressing its usage as a transportation fuel.

I respectfully urge you to reject Senate Bill 330 as it is proposed. If there is to be a tax exemption to promote the use of clean-air motor fuels, that exemption should be included for propane (LP-gas) and all alternative motor fuels.

Again, thank you for allowing me this time. I will be happy to try to answer any questions you may have.

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Propane Marketers Association of Kansas

Lee Eisenhauer
Executive Vice-President

Propane

The Proof is in the Product!

A VIEW OF FACTS AND FIGURES ON PROPANE USE WILL PROVE THIS
CLEAN-BURNING FUEL HAS A LOT TO OFFER!

Ever since 1912, when the first home was heated with propane, enterprising Americans have found a variety of uses for this abundant source of energy. The United States continues to be the world's leading consumer of propane, expending it to dry crops, brood chickens, power tractors, warm greenhouses, barbecue and, since 1938, to run vehicles.

Concern over air quality has resulted in the development of a set of environmental standards by the federal government that will help reduce air pollution. Fortunately, propane's characteristics will make compliance with these Environmental Protection Agency regulations easy. At the same time propane-powered vehicles help clean up the air, they provide a number of other measurable benefits.

One significant advantage propane has over other alternate fuels being explored for possible use as a motor fuel, is that propane is proven. It already has a track record, one the propane industry is proud of.

For more than *half a century* propane has proven itself to be a clean-burning, economic, and safe motor fuel. According to the Department of Energy, propane fuels about 10 percent of Holland's vehicles, and is also used in Italy and elsewhere in Europe. Propane has been promoted for use in taxis in Japan, South Korea, and Thailand. There are about 4 million propane-powered vehicles worldwide. Propane is also used extensively to fuel vehicles in Canada and about 425,000 vehicles in the United States.

Another critical advantage propane has over other trendy fuels being studied is that the infrastructure to dispense this practical fuel is already in place. Currently, there are numerous sites throughout Kansas and the United States capable of providing refueling services. It took *many years* of hard work and a *substantial capital investment* for the industry to set up this refueling network.

Another factor fleet and vehicle owners must consider before they convert to an alternate fuel is whether or not trained labor is available to provide service. Because propane is proven, an able force of mechanics stands ready to meet service demands. Choosing a newer, fledgling motor fuel can put vehicle owners in a frustrating position when looking for reliable service personnel.

And propane is safe, which is one of the reasons many school districts and law enforcement agencies choose propane to fuel their buses and fleets. Tanks are manufactured in precise accordance with regulations developed by the American Society of Mechanical Engineers. Installations and systems are monitored by the Kansas Fire Marshal's Office to ensure strict compliance with regulations.

A study of the facts and figures of propane will prove that this efficient, economical, and clean-burning fuel is the most practical choice for environmentally and efficiency conscious Kansans!

Propane Powered Vehicles

Recent interest in reducing air pollution has sparked a surge in the number of people exploring the advantages of propane. It continues to gain world-wide recognition as increasing numbers of fleet vehicle owners see the advantages of using propane.

Clean Burning: Propane emits less carbon monoxide and fewer reactive hydrocarbons than gasoline and propane exhaust is lower in aldehyde.

High Octane: Propane's 100-plus octane rating means propane is all fuel. Propane is not augmented with additive boosters, which can cause "knocking". Drivers of propane-powered vehicles travel on an even flow of power.

Low Maintenance Costs: Propane leaves no lead, varnish or carbon deposits that cause premature wearing of pistons, rings, valves and spark plugs. It doesn't contaminate the crank case or combustion chambers of the engine. Oil and oil filters last three to four times longer than oil in gasoline or diesel vehicles because propane doesn't contaminate or dilute. Because propane is clean-burning, engines last approximately two to three times longer.

No Fuel Pump: Propane is self-pressurizing, so no fuel pump is needed.

Less Carburetor Expense: The carburetor on a propane fueled system is simple, with few moving parts. The carburetor in a gasoline engine functions to create a vapor of fuel and air. Since propane is already a vapor when it enters the motor, the carburetor does not have to perform this complex function.

Conversion Cost: \$900 - \$1600, depending upon type of vehicle.

Refueling Sites: Refueling sites located throughout the state of Kansas and the United States. Vehicle owners also have the option of setting up their own refueling facility with a minimal investment, cost dependent upon the number of vehicles.

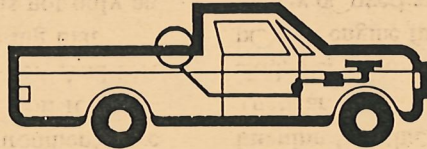
Driving Range: Propane motor fuel tanks range from 30 gallon capacity for cars to 116 gallons on a pick-up. Truck saddle tanks are also available. Filled at 80 percent capacity and calculated at 16 miles per gallon, the range on an 84 gallon motor fuel tank is 1,092 miles. It takes only minutes to refuel.

Service: There are 25,000 propane dealers in the United States, plus shops that specialize in carburetion conversion.

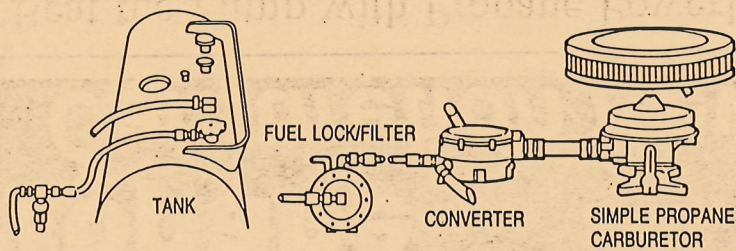
Safety: Propane motor fuel tanks must be constructed to codes and specifications established by the U.S. Department of Transportation and the American Society of Mechanical Engineers (ASME). Industry trade publication reports on high-impact collision tests support testimony of many that, when comparing the safety and integrity of the fuel systems, they would rather ride with a propane tank than with a thin sheet metal gasoline tank.

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Switch to Propane



Typical propane conversion for a pickup.



Propane Profile

Propane is a by-product of natural gas and crude oil. Roughly two-thirds of the propane used in the United States comes from the processing of natural gas. Raw natural gas (gas that hasn't been processed yet) is about 90 percent methane, five percent propane, and five percent other gases. The propane is separated from the other gases at a gas processing plant.

The remaining one third of the propane used in this country comes from the refining of petroleum. During the refining process, petroleum is separated into its various parts - producing gasoline, home heating oil, jet fuel, propane, and other petroleum products.

A propane gas molecule contains three carbon atoms bonded to eight hydrogen atoms, thus its chemical formula, C_3H_8 . Propane is non-toxic. It is also colorless and odorless. For this reason, an odorant is added to the fuel (as it is to natural gas) to serve as a warning agent for escaping gas.

Propane changes from a gas to a liquid two ways: 1) when it reaches -43.8 degrees Fahrenheit; and 2) when it is placed under a moderate amount of pressure. Propane is 270 times more compact as a liquid than as a gas, thus enabling concentration of a great amount of energy in a small space - 91,500 BTU's of heat energy per gallon.

In any size tank, propane exists as both a liquid and a gas. As the gas is removed, the escaping propane gas molecules lower the pressure inside the tank. The lower pressure causes some of the liquid propane to boil, replacing some of the gas that has been extracted.

This highly efficient, clean, and safe fuel can be easily stored in tanks of all sizes from the smaller size attached to a barbecue grill to bulk storage tanks with more than 30,000 gallons.

Propane Safety

Safe storage and handling of propane is a primary concern to the propane industry. Without safe practices the propane industry could not exist. Assisting the industry in its continuing efforts to safeguard people and property, the National Fire Protection Association (NFPA) prepares detailed standards published in NFPA Pamphlet No. 58, "Storage and Handling of Liquefied Petroleum Gases".

NFPA 58, first issued in the 1930's, reflects the combined thinking of experienced people in regulatory, insurance, and industry fields. It was recognized by the American National Standards Institute in the 1960's.

As an American National Standard, NFPA 58 is referenced in federal regulations such as the Federal Highway Motor Carrier Safety Regulations, the Hazardous Material Regulations, and the Occupational Safety and Health Administration Regulations. Propane Marketers Association of Kansas dealers must abide by these safety rules adopted and enforced by the State Fire Marshal.

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Transportation of Propane

Propane has been routinely transported within the U.S. for nearly 75 years. Long distance domestic movement is primarily by pipelines, whereas local distribution and customer deliveries almost always require shipment by tank truck or rail car.

Propane is normally shipped from the oil refinery or natural gas processing plant by pipeline. Most propane is shipped in two stages; from the refinery or processing plant to an intermediate terminal; and from there to the local marketer for delivery to the end user.

Trucks have been shipping propane since 1926. Two types of trucks are used for transporting: the highway transport and the small bulk delivery truck called a "bobtail".

Highway transports are used for most movements to and from distribution terminals to bulk plants, large end users, and otherwise as needed in the propane production and distribution system. Transports generally have between 7,000 and 12,000 gallons capacity and are constructed of high strength steel.

Bobtails are primarily used for movements from bulk plants to individual residential, commercial and agricultural users. The capacity of a bobtail is typically between 2,000 and 3,000 gallons water capacity.

Both bobtails and transports must comply with the DOT Hazardous Materials Regulations. The cargo tank is constructed in accordance with the Pressure Vessel Code of the American Society of Mechanical Engineers.

Rail tank cars are used to supply distribution terminals that are not served by a pipeline. Tank cars are also used for deliveries to some local marketers and certain large volume costumers.

Agenda

**Kansas Corporation Commission
Alternative Fuels Seminar
March 4, 1993
V F W HALL
Hays, Kansas**

Agenda**Time****Topic****Presenter**

7:30am - 8:00am

Registration

8:00am - 8:30am

Kansas Corporation
CommissionJohn Morelock
State Coordinator

8:30am - 9:00am

U.S. Environmental
Protection AgencyStanley Walker
Air and Toxics Division

9:00am - 9:30am

U.S. Department
of EnergyBenjamin Watson
Technology Marketing Spec.

9:30am - 10:00am

Compressed Natural Gas

Todd Hall
Western Resources

10:00am - 10:30am

CNG-LPG-to Diesel

Tim McCullers
Oklahoma Fuel Fuels

10:30am - 10:45am

Questions & Answers

Presentation Panel

10:45am - 11:00am

Break

11:00am - 11:30am

Bio-Diesel

Bill Ayers
Interchem Environmental

11:30am - 12:00am

Propane

Cody Wray
Fairbank Equipment Co.

12:00pm - 1:30pm

Luncheon

Governor Joan Finney
KCC Chairman Jim Robinson

1:30pm - 2:00pm

Electric

Wade Wright
Western Resources

2:00pm - 2:30pm

Reformulated Gasoline

Randy Newcomer
Coastal Refining and Marketing

2:30pm - 3:00pm

Methanol

Bob Braddock
Unico, Inc.

3:00pm - 3:30pm

Ethanol Fuels

Jere White
Kansas Corn Growers Association

3:30pm - 3:45pm

Break

3:45pm - 4:00pm

Questions and Answers

Presentation Panel

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THE KANSAS CONTRACTORS ASSOCIATION, INC.



1923 - 1993

70
YEARS OF
EXCELLENCE

OFFICERS

DON POPEJOY, President
Ulysses, Kansas

MIKE WELCH, Vice President
Topeka, Kansas

ORVILLE SPRAY, JR., Treasurer
Great Bend, Kansas

STAFF

DANIEL W. RAMLOW, Executive Director
ROBERT E. TOTTEN, Public Affairs Director
JAMES S. RAMSAY, Member Services Director

316 SW 33RD ST PO BOX 5061
TOPEKA KS 66605-0061
PHONE (913) 266-4152
FAX (913) 266-6191

TESTIMONY

BY THE KANSAS CONTRACTORS ASSOCIATION
BEFORE THE SENATE TRANSPORTATION COMMITTEE

REGARDING

SENATE BILL 330

DIRECTORS

DICK BROWN
Salina, Kansas
CHARLES F. GRIER
Wichita, Kansas
CHARLES JARVIS
Hutchinson, Kansas
BILL KLAVER, JR.
Kingman, Kansas
JOHN KOGER, JR.
Topeka, Kansas
PAUL MALM
Lindsborg, Kansas
STAN SCUDDER
Newton, Kansas
JAMES K. SNOOK
Wichita, Kansas
WAYNE VAN METER
Kansas City, Missouri
ROBERT WALSHIRE
Topeka, Kansas

Mr. Chairman, and members of the Senate Transportation Committee, I want to thank you for allowing me the opportunity to appear before you this morning to discuss the tax exemption for compressed natural gas.

My name is Bob Totten. I am the Public Affairs Director for the Kansas Contractors Association. Our association represents more than 330 heavy, highway, and municipal utility contractor and associate member firms in the Kansas construction industry.

I am here today to oppose Senate Bill 330. Senate Bill 330 would exempt the collection of taxes on the sale of compressed natural gas as a motor fuel. Right now, Kansas collects over 250 million dollars each year from motor fuels tax for the construction and maintenance of highways. Those taxes come from the sale of gasoline. If we start talking about exemptions for compressed natural gas, we could lose a needed revenue in the future when we see more alternative fuels used as a source for energy for automobiles

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PAGE TWO

We already see a slight decrease in the amount of revenues gathered from our gasoline taxes due to conservation measures. More conservation measures and a law prohibiting the taxation of a motor fuel would continue this decline and we are opposed to a loss of those revenues.

We are not opposed to conservation measures or the use of alternative fuels, we are more concerned with diverting needed tax revenues which are necessary to replace, rehabilitate and expand our road systems.

Our present system is based on user fees...a point our industry has used for years. To change that would seriously hinder our ability to construct roads and highways. To take it to an extreme, we would have to find other revenue sources to maintain our roads and we possibly would need to consider toll roads for all our highways.

For these and other reasons, we are opposed to Senate Bill 330 and I thank you for your time this morning.

03/08/93

Bob Totten

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MEMORANDUM

TO: Ms. Gloria M. Timmer, Director
Division of Budget

DATE: February 22, 1993

FROM: Kansas Department of Revenue

RE: Senate Bill 330
as Introduced

BRIEF OF BILL:

Senate Bill 330 as Introduced exempts compressed natural gas from the motor fuel tax. It amends K.S.A. 79-3492 and is effective from and after publication in the statute book.

FISCAL IMPACT:

It is estimated that passage of this bill would decrease highway funds from about \$40,000 in Fiscal Year 1994 to about \$170,000 in Fiscal Year 1999.

The Department has no information on the number of vehicles using this motor fuel and the amount of motor fuel tax remitted from this fuel. The Kansas Corporation Commission estimates that there are currently 230 compressed natural gas (CNG) vehicles and that the number will increase to 1,000 in Fiscal Year 1999. Using the KCC estimates of number of compressed natural gas vehicles; assuming no change in the tax rate for CNG or LP-Gas; using the LP-Gas prepayment tax tables that are based on vehicle weight and miles travelled (K.S.A. 79-3492b); estimating that 5% of CNG vehicles are 3,000 pounds or less, 85% are 3,001 to 4,500 pounds and 10% are more than 4,501, based on the assumption that most of such vehicles are vans and busses; and using the federal estimate of an average of 12,000 miles travelled per year per vehicle, the estimate is:

	(figures in thousands)					
	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
Estimate	-\$39.8	-\$66.4	-\$93.1	-\$119.8	-\$146.4	-\$173.1
Distribution to:						
Special C/C Fund	-\$16.1	-\$26.9	-\$37.7	-\$48.5	-\$59.3	-\$70.1
State Highway Fund	-\$23.7	-\$39.5	-\$55.4	-\$71.3	-\$87.1	-\$103.0

FISCAL COMMENT:

The motor-fuel tax base will be significantly eroded if clean-burning motor fuels are exempt from motor fuel taxation.

ADMINISTRATIVE IMPACT:

It is estimated that the Department could absorb the cost of notification to taxpayers of the change.

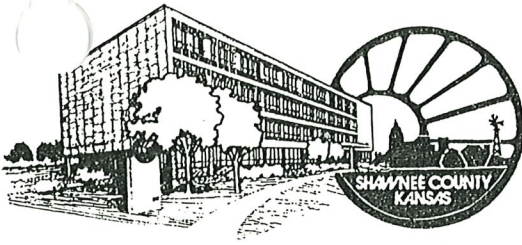
APPROVED BY:


Nancy Parrish
Secretary of Revenue

ATTACHMENT F

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Shawnee County
Sheriff's Department
Sheriff Dave Meneley

200 EAST 7TH STREET
TOPEKA, KANSAS 66603-3932
ROOM B-16
COURTHOUSE
913-291-4047

March 8, 1993

Senate Bill 390
T E S T I M O N Y

It has long been the policy of the Shawnee County Sheriff's Department and many other Sheriff's departments and police agencies across the state to allow their employees to drive their police vehicles to and from work. This policy not only has been a cost effective program in terms of maintenance costs and miles per year on vehicles but also has proven to be a deterrent on crime in the neighborhood's where the vehicles are parked.

The number of arrests for DUI and felony crimes which have been affected by the officers on their way home and to work has been reason enough to continue this program. There are numerous other advantages which could be discussed here today but I am here to testify on behalf of passage of Senate Bill 390. The passage of this bill would give discretion to all Sheriff's and Chief's of Police to allow their deputies and officers to drive their departmental vehicles to school and other civic activities where these officers have been hired by groups for security purposes.

The school districts throughout this state have many athletic and academic activities which warrants the need for security, traffic control, crowd control, and the deterrence of fights, riots, and "gang banging" which has become commonplace in our society.

I have heard very few arguments against the use of taxpayers dollars for the good of the community. I have heard no arguments opposing crime in our schools. I have heard many opinions though that are positive in favor of officers presence at school and civic events where the chance of fights and injury, theft and destruction of property, traffic congestion and the chance of accidents and injury, are a real possibility.

When these deputies and officers have their vehicle with them they can respond not only to emergencies at the event more efficiently because of the accessibility of the red light for traffic control, the siren to respond to the emergency itself, and the accessibility of all the other emergency equipment which is carried in the vehicle, but also can respond immediately without delay to natural disasters or other emergencies that may occur away from the event. This vehicle acts as a sentry for all to see, that law enforcement is present not only inside the event but

outside as well, ready to respond at a moments notice no matter what the emergency. This vehicle is a deterrent to those who may contemplate criminal activity, gang activity, or just plain "tom foolery".

The only complaint I've ever received about my deputies driving their departmental vehicle to these events is that it's against the law.

In fact since I stopped the practice of using the vehicle, my deputies have apprehended two juveniles with automatic weapons on school property. We did not encounter this type of problem so frequently when the vehicles were present.

This law was written in a time when security at school and social events was not necessary. Many years ago when this law was written I do not believe the violence of today was contemplated. Respect for law and order was commonplace, and violation of others was not so frequent as it is today. Deterrence of crime was not a phrase discussed very often in those days, but today is very common. Violence is becoming all to common and we must do everything possible to stop it before it happens.

Ladies and gentlemen that's why I'm here, to ask you to change the law, for safety's sake.

Thank you for allowing me to address you today, I would be happy to answer any questions you have now or in the future, or provide any additional information I can.

Sincerely,



Sheriff Dave Meneley

DM/mb

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Washburn Rural High School

BRUCE M. THEZAN
Principal

5900 SW 61st STREET
TOPEKA, KANSAS 66619-9404
(913) 862-0958

CHRIS RIDLEY
Vice Principal

WILLIAM J. EDWARDS
Vice Principal

ROBERT GLADFELTER
Activity Director

"Among Schools of Excellence"

February 18, 1993

Sheriff Dave Meneley
200 E. 7th ST
Topeka, KS 66603-3932

Dear Sheriff Meneley,


Washburn Rural High School, has for the last 12 years, employed off-duty sheriff deputies to provide security at our extra-curricular events. We have found that uniformed officers in marked county vehicles are the best deterrent to crime and other unwanted activities.

A county vehicle is readily and easily recognized by our student population as a sign that security personnel are present. Because we are located in the country, we have unwanted visitors who pull into our parking lot and try to attend our functions. When a sheriff's vehicle is on site, these unwanted persons drive on by. The vehicle provides added security just by its presence.

We believe that the use of sheriff deputies with their county-owned vehicles provide our students and staff security that cannot be matched by any other source.

Mr. Thezan, principal, and myself would be more than happy to appear before a Legislative committee on your department's behalf regarding this matter.

Respectfully,



Bob Gladfelter, Activities Director
Washburn Rural H S
5900 SW 61st
Topeka, KS 66619-9404

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SHAWNEE HEIGHTS
UNIFIED SCHOOL DISTRICT NO. 450

Central Services Facility
4401 S.E. Shawnee Heights Road
Tecumseh, Kansas 66542-9799 (913) 379-0584

Dr. Stephen G. McClure, Superintendent of Schools
Robert H. Ragan, Assistant Superintendent - Business
Rebecca L. Lisher, Assistant Superintendent - Instruction
Gary M. Zabokrtsky, Director of Special Education

February 25, 1993

Senator Anthony Hensley
Room 403-N
State Capital Building
300 SW 10th Street
Topeka Ks 66612-1565

Dear Anthony:

There are three matters of local interest that I am asking you to consider. First is Senate Bill #4. We are of the opinion that the tax on utilities used in manufacturing is not a helpful tax, especially for Flexel in Tecumseh, Ks. We are asking you support Senate Bill #4. As you are probably aware, there are only two cellophane plants left in the United States, partially due to the high cost of manufacturing involved. This would help them, especially, as it appears there may be another federal utility tax coming down that is part of the President's new energy tax.

The second item is the Heartland Park Senate Bill #218. We are of the opinion that Heartland Park should remain on the tax rolls. On their original contract in 1988, they agreed to pay taxes. When Jack Brier was chairman of the MTAA and the racetrack was slated to go between the runways at Forbes, Jerry O'Shaughnessy went before the group and recommended that the racetrack be set in the next section south of Forbes on his property. One of the reasons was because it would then be taxable. All we are asking of Heartland is that they do what they said they were going to do originally.

The third bill is yet to be finalized, but it is being introduced by Senator Vidricksen, of Salina. It is in reference to using patrol cars when working large group security. I, personally, feel that having at least one sheriff's patrol car at our school, and preferably having it parked right in front of the main entrance of the school or the main gate to the football stadium is a deterrent to problems. It lets everybody know that the law enforcement is there to help with security. If their behavior warrants, intervention will be taken. However, we have found, for example, this year we had one game where the principal of the visiting high school pointed out six gang members in attendance who were not of the 17-18 year old variety, but were of the 22-23 year old variety. The sheriff's deputy did a good job of making their presence felt, while not harrassing or irritating these individuals. During another basketball game, the sheriff's

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deputies loaded three intoxicated teenagers into their car and removed them from the premises. These situations may seem like minor things, but certainly if events with thousands in attendance got out of control, it would take far more law enforcement money to help bring things back under control. To have the strong presence and have deterrents like patrol cars available is certainly the least costly method. It also allows those deputies to respond to car accidents and other emergencies in our part of the county when such emergencies happen.

Sheriff Dave Meneley strongly supports this legislation and I am sure would welcome your contact.

Thanks for considering my view on these three items.

Sincerely,

A handwritten signature in cursive script, appearing to read "Steve McClure".

Dr. Stephen G. McClure
Superintendent of Schools

SGM/ab

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**SHAWNEE HEIGHTS
UNIFIED SCHOOL DISTRICT NO. 450**

Central Services Facility
4401 S.E. Shawnee Heights Road
Tecumseh, Kansas 66542-9799 (913) 379-0584

Dr. Stephen G. McClure, Superintendent of Schools
Robert H. Ragan, Assistant Superintendent - Business
Rebecca L. Lisher, Assistant Superintendent - Instruction
Gary M. Zabokrtsky, Director of Special Education

**TESTIMONY
ON
SENATE BILL #390**

By Dr. Stephen G. McClure
Superintendent of Schools

Shawnee Heights U.S.D. #450

I am speaking in support of Senate Bill #390. My concern is the use of patrol cars when working large group security. I, personally, feel having at least one sheriff's patrol car at our school, and preferably, having it parked right in front of the main entrance of the school or the main gate to the football stadium is a deterrent to problems. It lets everybody know that the law enforcement is there to help with security. If their behavior warrants, intervention will be taken. However, we have found, for example, this year we had one game where the principal of the visiting high school pointed out six gang members in attendance who were not of the 17-18 year old variety, but were of the 22-23 year old variety. The sheriff's deputy did a good job of making their presence felt, while not harrassing or irritating these individuals.

During another basketball game, the sheriff's deputies loaded three intoxicated teenagers into their car and removed them from the premises. These situations may seem like minor things, but certainly, if events with thousands in attendance got out of control, it would take far more law enforcement money to help bring things back under control. To have the strong presence and have deterrents like patrol cars available is certainly the least costly method. A visible presence is important and patrol cars enhance that presence. It also allows those deputies to respond to car accidents and other emergencies in our part of the county when such emergencies happen.

Sheriff Dave Meneley strongly supports this legislation.

Thank you for considering my view on this issue.

Sincerely,

Dr. Stephen G. McClure
Superintendent of Schools

SGM/ab

ATTACHMENT H

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Washburn Rural High School

BRUCE M. THEZAN
Principal

5900 SW 61st STREET
TOPEKA, KANSAS 66619-9404
(913) 862-0958

CHRIS RIDLEY
Vice Principal

WILLIAM J. EDWARDS
Vice Principal

ROBERT GLADFELTER
Activity Director

"Among Schools of Excellence"

Testimony in Support of Senate Bill 390
March 8, 1993
Rm 254 E

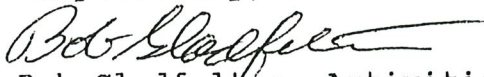
Washburn Rural High School has, for the last 12 years, employed off-duty sheriff deputies to provide security at our extra-curricular events. We have found that uniformed officers in marked county vehicles are the best deterrent to crime and other unwanted activities.

A county vehicle is readily and easily recognized by our student population as a sign that security personnel are present. Because of our location in the country, we, occasionally, have unwanted visitors who drive into our parking lots and try to attend our functions. When a sheriff's vehicle is on site, these unwanted persons do not attempt to enter the area, but drive on by. The vehicle provides added security just by its presence.

We believe that the use of sheriff deputies with their county-owned vehicles provide our students and staff security that cannot be matched by any other source.

We ask that Bill 390 be passed to allow officers to use county-owned vehicles when providing our public schools with the security needed to ensure a safe and secure environment for activity functions.

Respectfully,



Bob Gladfelter, Activities Director
Washburn Rural High School