

## MINUTES OF THE HOUSE COMMITTEE ON TRANSPORTATION.

The meeting was called to order by Chairman Rex Crowell at 1:30 p.m. on March 14, 1994 in Room 519-S of the Capitol.

All members were present except: Rep. Shallenburger, Excused  
Rep. Hendrix, Excused  
Rep. Webb, Excused

Committee staff present: Tom Severn, Legislative Research Department  
Hank Avila, Legislative Research Department  
Bruce Kinzie, Revisor of Statutes  
Donna Luttjohann, Committee Secretary

Conferees appearing before the committee: Clarence Arndt, Silver Haired Legislature  
Jim Sund, Johnson County Commission on Aging  
Joanne Hurst, Secretary on Aging  
Steve Feigenbaum, Exec. Dir., KS Public Transit Assn.  
James Clark  
Terry Heidner, KDOT  
Ron Hein, MESA  
Todd Hall, National Fuel System  
Lee Eisenhauer, Propane Marketers Assn.  
Robert Haley, KDOT

Others attending: See attached list

Chairman Crowell opened the hearing on HB 3070 regarding funding for elderly and handicapped transportation.

The Chairman requested Bruce Kinzie of the Revisor's office to summarize the bill.

Clarence Arndt was recognized by the Chairman as a proponent of the bill. He testified that adequate transportation would enable the elderly and handicapped to remain independent longer. See Attachment 1.

Chairman Crowell recognized Jim Sund as a proponent of the bill. He testified that the Silver Haired Legislature originally requested \$2,000,000 in funding for transportation needs for the elderly and handicapped. See Attachment 2.

Joanne Hurst was recognized by the Chairman. She testified that the state is not sufficiently meeting the transportation needs of the elderly. See Attachment 3.

Steve Feigenbaum was recognized by the Chairman as a proponent of the bill. He testified on the need for additional transportation funding. See Attachment 4.

The Chairman recognized James Clark as a proponent of the bill. He testified that he was in favor of more funding for the elderly.

Chairman Crowell recognized Terry Heidner to testify. He stated that the \$390,000 figure was too small and KDOT did not oppose the \$600,000 figure. See Attachment 5.

The Chairman closed the hearing on HB 3070.

Chairman Crowell opened the public hearing on SB 799 concerning alternative fuels for motor vehicles.

Ron Hein was recognized by the Chairman as a proponent of the bill. He discussed the merits of CNG and the fact that Kansas is one of the largest natural gas producing states in the country. See Attachment 6.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TRANSPORTATION, Room 519-S Statehouse, at 1:30 p.m. on March 14, 1994.

The Chairman recognized Todd Hall a proponent of the bill. He testified that Kansas is a leader in the alternative fuels market and his organization supports the bill. See Attachment 7.

Lee Eisenhower was recognized by the Chairman as a proponent of the bill. She testified that her organization supports the bill and establishment of a commission to develop a state alternative fuels program. See Attachment 8.

Robert Haley was recognized by the Chairman as the next conferee. He testified that the intent of the bill is that the KCC would only make recommendations to the Governor and the Legislature regarding the use of alternative fuels. See Attachment 9.

Chairman Crowell closed the hearing on HB 799.

A subcommittee was appointed by the Chairman to study SB 162 regarding salvage vehicle dealers. Rep. Shore was appointed the Chairman of the subcommittee with Representative Wells, Pauls, Smith and Haulmark as members.

The Chairman called the Committee's attention to SB 760 providing for the licensing and regulation of motor transportation brokers. Rep. Dillon made a motion to recommend favorable passage of SB 760. It was seconded by Rep. Haulmark. Discussion took place.

Rep. King made a substitute motion to recommend SB 760 adversely. It was seconded by Rep. McKinney. The motion failed. The original motion made by Rep. Dillon passed.

Chairman Crowell brought the Committee's attention to SB 553 concerning qualifications of driving school instructors. Rep. Smith made a motion to recommend favorable passage of SB 553. It was seconded by Rep. Dawson. Discussion by the committee was held. Rep. Dawson made a substitute motion to amend the bill, omitting the requirement to pass a written and driving examination administered by the state board. In addition, any instructor teaching other instructors would be required to either have evidence of credit of driver education and safety from an accredited college or university, or have a valid Kansas teachers certificate coded for drivers' education. Rep. Lawrence seconded the motion. The motion carried.

Rep. Dawson made a motion to recommend favorable passage of SB 553 as amended. It was seconded by Rep. Haulmark. Division was called and the motion passed by a count of 11 for and 3 opposed.

The Chairman brought the Committee's attention to SB 598 relating to age requirements for farm driving permits. Rep. Shore made a motion to pass the bill favorably and because it was of a non-controversial nature, be placed on the Consent Calendar. It was seconded by Rep. King. The motion carried.

Chairman Crowell brought the Committee's attention to SB 499 concerning the time permitted for owners of school buses to bring them into compliance with KDOT rules and regulations adopted after the purchase of the bus. Rep. Correll made a motion to amend the bill to allow 12 years from the date of purchase to bring a bus into compliance. It was seconded by Rep. Lawrence.

Rep. Smith made a substitute motion to amend the bill to 14 years from the date of manufacture. Rep. McKinney seconded the motion. The motion carried.

Rep. Dawson made a motion to amend SB 499 to define school buses for registration purposes and exempt them from paying fuel tax and allow them to be any color. Rep. King seconded the motion. Division was called and the motion to amend passed by a count of 11 for and 5 against.

Rep. Dawson made a motion to pass SB 499 favorably as amended. It was seconded by Rep. King. The motion carried.

The meeting was adjourned at 3:22 p.m. by Chairman Crowell with the next meeting scheduled for March 16, 1994, at 1:30 p.m. in Room 519-S of the Capitol.

# GUEST LIST

## HOUSE TRANSPORTATION COMMITTEE

March 14, 1994

Name	Address	Representing
JIM SUND	7202 N. HIGHWAY, HAWAIIA, KS - 66203	SELF
CLARENCE ARNDT	8501 GREENWOOD O.P. KS. 66212	KS ASSN. OF SILVER HAIRED LEGISLATORS
IVA ARNDT	" " "	SELF
James Clark	Rt. 1 Box 26A Winchester, KS	Ks Silver Haired Legislators
Mollie Sund		
Tom Hahn	TOPEKA	Ks MOTOR CARRIERS ASSN
Clark Duffy	"	Ks Petroleum Council
J.C. Long	Utili. Topeka	UtiliCorp United
Bob Toth	Topeka	K-C-A
Lee EISENHOWER	"	PROPANE MARKETING ASSN
Vicki Woodbury	"	" "
John MORELOCK	"	KCC
TODD HALL	636 Adams KCK 66105	National Fuel Systems
JACK TIERCE	TOPEKA	KCC
STEVE KEARNEY	"	KOMA
Bill Watts	Topeka	KDOT
Robert Hale	Topeka	KDOT
Terry Heidner	Topeka	KDOT
Steve Feinberg	Topeka	Ks Public Transit ASSN
Kay Ridgway, Jr.	437 Houston St. Manhattan KS	North Central-Flat Hills Area Agency on Aging
KEVIN ROBERTSON	Topeka	ENRON CORP.
Andy Dwaney	Hawatha, KS	Hawatha High School
Brandon Walter	Hawatha, KS	" " "
Charles Riddge	"	" " "
Jane Knight	Topeka	ADA - D. & A
Pat Wiechman	Topeka	KIA DRIA
Mary E. TURKINGTON	Topeka	Kansas Motor Carriers ASSN.
Yolanda MARSHALL		
Ron Hori	Topeka	KASA

TESTIMONY OF CLARENCE W. ARNDT

HB #3070

MARCH 14, 1994

Chairman Crowell and Committee Members:

I want to thank you for the opportunity to testify today in behalf of HB #3070.

I am authorized by Floyd Coen, Speaker of the Silver Haired Legislature, to make this presentation. He lives in Elkhart, and could not be here, today.

During the October, 1983 Session of the first annual KS Silver Haired Legislature, we presented our Resolution No. 9. It urged the establishment of a Task Force on Public Transportation to study the services available for the elderly and handicapped.

Reasons given for the study at that time were as follows; Kansas ranked 8th in the nation of population over age 65; and the fastest growing segment was the 55 to 65 years of age bracket.

Adequate transportation is one program that will enable the elderly and handicapped to remain independent longer, thereby postponing the need for institutional care. They have such transportation needs: going to health care providers and "Rehab" Centers. The need to go to shopping areas, and nutrition centers. The need to visit friends and family. Many elderly do not drive automobiles because of operational costs, increased insurance rates, and decreased physical capacity.

In successive years we have presented resolutions encouraging enactment and funding legislation by the Kansas Legislature for elderly and handicapped transportation. The need is even greater now, than back in 1983.

In conclusion, we hope that you will consider passing this bill. We are grateful for the second opportunity to consider this valuable legislation.

Thank you,

*Clarence W. Arndt*

Clarence W. Arndt  
Johnson County Delegate  
KS Silver Haired Legislature

HOUSE TRANSPORTATION  
March 14, 1994  
Attachment 1

My name is Jim Sund, from Merriam Kansas which is in Johnson County. I am an advocate in the aging network and serve on the Johnson County Commission on Aging and the Volunteer Center Board. I served 6 years in the Silver Haired Legislature, 2 years as Speaker. I am here to support passage of HB 3070.

Mr. Chairman and members of the committee, I have nothing new to report since I talked with you about HB 2898, which I understand has suffered a terminal illness.

I would like to introduce my wife, Mollie, since today marks our 53rd wedding anniversary. And instead of enjoying a champagne lunch in some elegant place, we lunched in the cafeteria in the State office building and are appearing before you.

To refresh your memory, Silver Hair Bill 1004 sought to amend the statute as it pertains to the \$390,000 to be expended annually for elderly and handicapped transportation. The SHL bill wanted this amount increased to \$2,000,000. HB 2898 would have increased the amount to \$1,000,000. This new bill, HB 3070 would increase the amount to \$600,000.

I would like to repeat some of my remarks about the need for transportation for this growing population. As I am sure you know from talking with your constituents and from your own experience, bus and train service has been increasingly curtailed and public transportation, except between major cities and within major city core areas, is increasingly rare and unreliable. This means that the vulnerable population of elderly and handicapped, is dependent upon what little service we can offer through our paratransit councils and volunteers. In our area,

we require a professional's certification as to need before we offer volunteer services. All of which means that for the little niceties, such as visits to the grocery store, a movie, or the barber shop or hairdresser, they must depend upon friends, neighbors or relatives.

As the communities have attempted to ease these problems, they have turned increasingly to volunteers. Most areas use volunteers, extensively, who furnish their own vehicle to transport people to doctors appointments, for therapy, and to and from congregate meal sites or nutrition sites. They also deliver meals to the home bound, and in some cases transport food from central kitchens to meal sites. It has become increasingly difficult to find additional people who can and will donate not only their time, but their personal vehicle for these purposes. We offer no monetary compensation to the volunteers and in most cases do not reimburse them for expenses. If they volunteer through the RSVP program, we do offer liability insurance for them while performing volunteer services.

Transit councils are in place since the 1992 legislation in SB 550 which provided for coordinated transit districts. In my area, our council reorganized and renamed itself the Tri-County Para-Transit Council. They now serve not only Johnson County, but also Wyandotte and Leavenworth Counties. These district councils are ongoing organizations and equipped and able to carefully and wisely spend and account for additional funding. The needs are for both capital and operating funds.

I encourage the Committee to pass this new bill which will grant some relief to our burdened communities I appreciate the attention you have given me and the opportunity to talk with you again.

Mr. Chairman, if you or your committee members have questions,  
I will be happy to answer them.

Jim Sund  
7202 Mastin  
Merriam, KS 66203  
Phone (913)362-1448

Transportation of the Elderly and Handicapped

before the  
House Transportation Committee

by the  
Kansas Department on Aging

March 14, 1994

Mr. Chairman and members of the committee, as Secretary of Aging I want to support today the passage of HB 3070. I testified before this committee in support of HB 2898. Attached is a copy of that testimony. Today, I just want to renew my support for transportation services and thank you for your reconsideration of state funding.



Testimony on HB 2898  
Transportation of the Elderly and Handicapped  
before the  
House Transportation Committee  
by the  
Kansas Department on Aging

February 16, 1994

Mr. Chairman and members of the committee, as Secretary of Aging I want to support the increased funding which would be transferred from the State Highway Fund to the Elderly and Handicapped Public Transportation Assistance Fund through the passage of HB 2898. Transportation is a vital link between consumers and providers and without it people are homebound and dependent. By increasing the funding from \$390,000 to the one million dollars which this fund would enable, more people with disabilities will have access to the goods and services.

In my testimony today, I want to address the need for transportation services for the elderly in our state.

Need for Transportation Services

The 1993 Kansas Legislature authorized a study by the Legislative Division of Post Audit on potential duplication and overlap in programs for Kansas' aging population. That report, issued in October, 1993, found that duplication did not appear to be a big problem. The Legislative Division of Post Audit reported, instead, that interviews with area agency staff and senior citizens showed a concern for insufficient services:

In the course of this audit, we surveyed Department of Social and Rehabilitation Services area office staff, and staff from the 11 area agencies on aging. We also interviewed senior citizens. We asked people from each of these groups what long-term-care services they needed in their areas.

The most frequently mentioned need was transportation services. Even though many senior centers had a vehicle available for elderly peoples' use, senior citizens we talked with complained about not being able to make doctor appointments with any assurance they would have transportation available on any given future date. This need was particularly critical in rural areas where medical facilities often are located many miles from the senior citizen's home.  
(p. 12)

The Post Audit findings are consistent with what we have found to be true for older Kansans. We surveyed people at the 1993 Governor's Conference on Aging. It must be kept in mind that persons with unmet needs for some services (e.g. in-home and transportation) would be less likely to have attended the

Conference and thus the expressed unmet need for these services would be understated. The results, nevertheless, show some similarity to the 1985 Conference results. Both surveys ranked home repair and transportation respectively as having the greatest and next greatest unmet need.

The Post Audit report noted (p. 14) that legislation passed by the 1992 Kansas Legislature created coordinated transit districts, which will better coordinate the transportation services taking place within them. The Kansas Department on Aging supported that legislation and is cooperating with the Kansas Department of Transportation to implement the legislation.

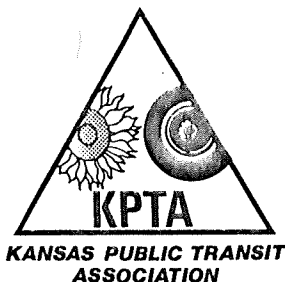
The Kansas Department on Aging supports Sec. 3(b) of the bill which increases the funding for transportation services to \$1 million.

#### Conclusion

I appreciate the work of the cosponsors in drafting and introducing HB 2898. I urge your favorable consideration. Our state has built roads and bridges (including our superhighways), which can only be used by Kansas citizens who can drive, unless we provide access through public transportation.

Access to goods and services is essential to everyone including people without automobiles. Transportation is health care. Transportation is shopping. Transportation is education. For the elderly of our state, available transportation can mean the difference of whether they can maintain their independence and remain in their own homes or whether they must out of necessity take residence in institutional care.

HOUSE TRANSPORTATION  
March 14, 1994  
Attachment 3-3



KANSAS PUBLIC TRANSIT ASSOCIATION  
201 N. KANSAS AVE.  
TOPEKA, KANSAS 66603  
(913) 233-2011

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MEMBER AMERICAN PUBLIC TRANSIT ASSOCIATION  
MEMBER COMMUNITY TRANSPORTATION ASSOCIATION OF AMERICA  
MEMBER SOUTHWEST TRANSIT ASSOCIATION

STATEMENT BY THE KANSAS PUBLIC TRANSIT ASSOCIATION  
ON HOUSE BILL 3070

Monday March 14, 1994

1:30 PM

Kansas State Capitol, Room 519-S

Mr. Chairman and Members of the Committee:

I am Steve Feigenbaum, Executive Director of the Kansas Public Transit Association (KPTA). KPTA is a non-partisan non-profit association that represents 135 members, urban and rural, in all sectors of Kansas.

Thank you for this opportunity to testify before the committee on a matter of great importance to all Kansans, the transportation needs of the elderly and disabled. Kansas has nearly 200 operators of public transportation services for the elderly, disabled, and general public. These services are funded by the federal Section 9 (urban), Section 18 (rural), and Section 16 (private non-profit equipment only) programs. Federal funding provides less than 50% of the total cost of operation. The remainder of funding comes from the present state fund (\$390,000), local sources, and passenger revenue.

KPTA supports House Bill 3070, and applauds it as a good start to bring public transportation for elderly and disabled Kansans up to par with other transportation modes in the State.

Last month KPTA testified before the committee on HB 2898. At that time we were gratified that the issue of public transportation need for Kansans was being addressed by the committee. I will not burden the committee by rehashing our testimony on HB 2898. Conditions detailed then remain: federal budget cut proposals, unfunded federal mandates, erosion of purchasing power of existing funding, and higher demands by the public for transportation services. I have just returned from visiting our congressional delegation in Washington and the chances for relief from federal sources is gloomy.

Last month we posed a rhetorical question, will \$1,000,000 meet the needs for public transportation in Kansas? At that time we stated that the answer is most likely no, but that \$1,000,000 certainly will enable us to address more

unmet needs than we can at present. The same is true of \$600,000. A 54% increase in state funds can only enhance services and is much appreciated. How much will it take to meet all public transit needs; elderly, disabled, and general public? That exact number is unknown at this time without further study. While addressing our short-term requirements, we should also be evaluating our long-term strategies in this area. A total dollar figure on need should be determined.

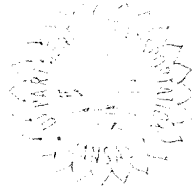
168,000 Kansans over 65 do not have a driver's license and are dependent upon public transportation or some other source for transportation. Ridership by the physically or mentally disabled in non-urban areas is nearly twice that of the elderly. Potential changes in the health care and social services systems with emphasis on keeping clients home based will create more demand upon our public transportation networks.

The legislature has wisely authorized coordinated transit districts (CTD) in Kansas in order to oversee public transportation expenditures and minimize needless duplication of services. So long as funding operates via established federal section 9, 16, and 18 programs within the CTD process, funds will be efficiently spent. HB 3070 will maintain these linkages.

I would like to commend KDOT for a superb job in administering the present program and I would like to recommend that KDOT continue to be given latitude in administering public transportation funding.

Thank you for this opportunity to speak with you today. I will be happy to answer any questions and work with you in any way in order to achieve our mutual goals.

STATE OF KANSAS



Michael L. Johnston  
*Secretary of Transportation*

KANSAS DEPARTMENT OF TRANSPORTATION

*Docking State Office Building  
Topeka 66612-1568  
(913) 296-3566  
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Joan Finney  
*Governor of Kansas*

March 14, 1994

Testimony

House Transportation Committee

on House Bill 3070

Mr. Chairman and members of the committee, I am here today to testify on behalf of Secretary Michael Johnston and the Kansas Department of Transportation (KDOT). My name is Terry Heidner and I am the Chief of Transportation Planning for KDOT. The Office of Public Transportation, which administers the federal and state public transportation programs, is under my direction. I am here to testify on House Bill 3070.

The 1989 Kansas Legislature provided state funding for public transportation for the first time in Kansas. 1989 H. B. 2014 provided \$390,000 per year from the state highway fund for public transportation. At that time, we were one of the few, if not the only state, that did not provide any state funding for public transportation. We are still very near the bottom of the list in terms of state funding support for public transportation. There is no provision in the current statute for increasing the \$390,000 to keep pace with inflation. Consequently, we believe that the \$390,000 figure is certainly too small and do not oppose the

\$600,000 figure as proposed in H. B. 3070, should that be the decision of this committee. By the same token, we cannot currently quantify the public transit needs in the state. We should pursue answers to that question in the future.

Thank you for the opportunity to speak with you today. I would be happy to answer questions if there are any.

HEIN, EBERT AND WEIR, CHTD.

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*Ronald R. Hein*

*William F. Ebert*

*Stephen P. Weir*

HOUSE TRANSPORTATION COMMITTEE

TESTIMONY RE: SB 799

Presented by Ronald R. Hein

on behalf of Mesa

March 14, 1994

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 largest independent gas producers and currently has approximately 60% of its natural gas reserves in the state of Kansas.

Over the past few years, much has been written and said about the economic impact that the natural gas industry has upon Kansas, and an equal amount of time has been spent discussing the negative impact that Kansas' tax policy has had upon this important industry.

The greatest burden facing the gas industry right now is the combined severance tax and property tax burden. That tax burden currently is about 19% of gross receipts on Mesa. That is the greatest disincentive currently to additional natural gas production, exploration, and investment in Kansas. The severance tax issue and the proposed changes on natural gas regulatory controls on production currently before the KCC continue to be the most pressing issues to Mesa.

However, another issue involving natural gas at the national level requires Kansas' attention. That issue involves natural gas vehicles (NGVs) and natural gas as a transportation fuel.

Kansas is one of the five largest natural gas producing states in the country, and the Hugoton Field is one of the largest natural gas fields in the world.

Natural gas is a cheap, abundantly available, domestic fuel which is clean-burning, safer, and better for our environment than other fossil fuels. As America turns away from it's reliance on expensive, foreign oil, cheap domestic natural gas will be the obvious alternative. And Kansas will be a winner.

At the national level, the Clean Air Act (CAA) of 1990 and the Energy Policy Act of 1992 (EPACT) has prompted increased awareness of the value of natural gas and other alternative fuels as a transportation fuel.

HOUSE TRANSPORTATION

March 14, 1994

Attachment 6-1

As a large producer of natural gas, and as a proud supporter of a clean environment, Kansas should be on the cutting edge of state policy with regards to natural gas and other alternative fuels.

Alternative fueled vehicles (AFV's) will first be utilized by fleet operators. Mesa believes the most feasible and logistically realistic alternative fuel is natural gas. Mesa also believes that, as fleets convert to natural gas, the infrastructure of the distribution of natural gas will develop and individuals will begin utilizing this clean-burning fuel.

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. Approximately 50-60% of air pollution is tailpipe emissions. 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 natural gas vehicles.

The Kansas City area has been a non-attainment area, and is just now barely within the attainment level. Their need to eliminate air pollution, predominantly motor vehicle emissions, is one of the major reasons why this type of legislation is extremely important.

All taxpayers of the state benefit by some vehicles converting to alternative fuels, as the air will be cleaner and the ability to avoid penalties against business and industry will be accomplished.

EPACT builds on the CAA. It requires federal, state, gas industry, and eventually some commercial fleets to purchase a statutorily mandated percentage of AFVs.

Today, there are approximately 50,000 natural gas vehicles (NGVs) on the road in the U.S. and about 700,000 worldwide. By the year 2000, 10% of all vehicles may be running on natural gas.

Motor vehicles account for approximately 40% of the ozone and 65% of the carbon monoxide pollution in the United States.

Compared with gasoline-powered vehicles, NGVs reduce emissions of carbon monoxide by more than 90 percent, hydrocarbons by up to 93 percent and nitrogen oxide up to 65 percent.

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 USA's trade deficit results from importation of foreign oil. The US could reduce consumption of oil by 500,000 barrels per day by the year 2000 if 10 million vehicles converted to natural gas.

Natural gas vehicles are safe. The gas tanks do not rupture in studies where they have been exposed to fire, crashes, and 44 caliber armor piercing bullets.

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.

The original SB 799 provided for a comprehensive program of incentives for alternative fuels, but after two Transportation and Utilities committee hearings and a subcommittee hearing, it was determined that most of the provisions of the bill should be held for interim study.

As amended, SB 799 consists of only one section which authorizes the KCC, in conjunction with other state agencies identified in the bill, to develop a plan for alternative fuels and to present their recommendations to the 1995 Legislature. This is necessary because under the Energy Policy Act and the Clean Air Acts at the federal level, the State of Kansas will be required to have a percentage of its fleet of light duty motor vehicles utilizing alternative fuels in the urban areas of Wichita and the Kansas City metropolitan area commencing in the fall of 1995.

The intent of the bill is to have the KCC work with the other agencies listed in developing a plan, and does not anticipate the KCC alone having authority to dictate requirements on other agencies.

SB 799 passed the Senate 40-0. On behalf of Mesa, I urge your support for SB 799.

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

HOUSE TRANSPORTATION  
March 14, 1994  
Attachment 6-3

**Testimony  
to the  
Kansas House Transportation  
Committee**

**March 14, 1994**

**Mr. Chairman and Committee Members, my name is Todd Hall. I am the President of National Fuel Systems, Inc., located in Kansas City, Kansas. We are a member of the family of companies with TSI Holdings. TSI Holdings is represented by Tri- State Tank Company, Garsite/TSR and others all with headquarters in Kansas City, Kansas. National Fuel Systems, Inc. is the State's first and only dedicated alternative fuels company. We provide to this burgeoning market nationally certified and approved vehicle conversions to natural gas and propane (LPG), GM and Ford produced vehicles that operate on natural gas and propane (LPG), a complete line of fueling systems, and municipal and private lease programs for all products and services. National Fuel Systems also offers an extensive market training program to fuel suppliers and other interested parties. Western Resources, Inc. and Kansas Corporation Commission have participated in a recent three day training program conducted by National Fuel Systems.**

**We have been active in this market by providing fueling stations for the Kansas Highway Patrol in Salina and vehicle conversion equipment and consultation to the State Motor Pool in Topeka. We have also provided consultation to Emporia State University, Kansas University, and to the Kansas Department of Purchasing.**

**Kansas House of Representatives  
Transportation Committee  
Testimony, Mr. Todd Hall  
March 14, 1994**

I am here to state our strong support for Senate Bill 799.

Senate Bill 799 provides the State several unequalled benefits.

1. Domestic Fuel Production - The alternative fuels markets revolve around the use of fuels that are produced in Kansas. Kansas products which are found in great wealth throughout the State. Natural gas, liquefied petroleum gas, liquefied natural gas, methanol (M85), and electricity. Even the usage of other agriculture products, such as ethanol (E85) are becoming increasingly available. Proactive state marketing of Kansas produced fuels can establish Kansas as a national leader in the alternative fuels market. The impact will certainly be positive throughout the state.

Consider the fact that within the State of Kansas over 1 billion gallons of gasoline are consumed annually. Should all of the these domestically produced fuels displace just 10% of the annual consumption, that would be equal to 100,000,000 gallons of alternative fuels usage. This new alternative fuels market could be responsible for creating new JOBS within the state. Jobs within the production of the raw Kansas products, such as natural gas, propane, and agricultural products. Jobs within my industry, the distribution of vehicles and the fueling infrastructure which will use these fuels. While we

**Kansas House of Representatives  
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may be the first we will certainly not be the last. Competition among the fuels' providers will certainly provide the State an obvious benefit.

2. Economic benefit - Operators of alternative fueled vehicles can realize a true savings. The savings that are achieved are fuel cost savings, operating savings, and tax benefits.

The natural gas vehicle market realizes a price delta between natural gas and gasoline of 15 cents (\$.15) to 35 cents (\$.35). In most fleet applications this will offer the fleet manager a return on investment of 15% to 30%.

3. Environmental Benefit - The environmental benefit of this Bill will be significant. Natural gas and propane reduce evaporative emission by 100% and reduce tailpipe emissions by nearly 70%. Additionally, the ground source pollution found with underground gasoline and diesel tanks are not found with natural gas and propane. The storage facilities for both fuels are located above ground. Should a leak develop the fuel will safely and benignly dissipate into the air.

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Attachment 7-3

**Kansas House of Representatives  
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March 14, 1994**

4. Federal Mandate- The federal legislation (Clean Air Act Amendments and National Energy Policy Act) have already begun the process to mandate the state fleets to convert and/or acquire a alternative fuel vehicles in model year 1996. That is effectively fall of 1995 (or next year!).

In closing, Senate Bill 799 is a positive move for the State of Kansas. Senate Bill 799 will signal the beginning the State of Kansas's leadership role in the alternative fuels market. A role that will begin to give the State and the citizens of the State a growing economic base, a reduced cost of operating to the State's fleet and will make for a cleaner environment.

I will be happy to answer any questions.

Thank you.

HOUSE TRANSPORTATION  
March 14, 1994  
Attachment 7-4





## *Propane Marketers Association of Kansas*

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STATEMENT  
BY  
LEE EISENHAUER

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CONCERNING SENATE BILL 799

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Presented Monday, March 14, 1994  
House Transportation & Utilities Committee  
Representative Rex Crowell, Chairman

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Lee Eisenhauer, executive vice-president of the Propane Marketers Association of Kansas. I thank you for this time to briefly state support of Senate Bill 799, as it establishes a commission to develop a state alternative fuels program.

Although Kansas is fortunately not a state filled with air pollution to a degree of receiving the current federal mandates some states have for using alternative transportation fuels, I believe we all agree that anything we can do to protect our environment is extremely important while, at the same time, utilizing our natural resources, supporting many Kansas industries and the state's economy, and promoting national security.

For the past several years, members of the propane industry and other clean-air alternative fuels industries have been, and are, combining efforts with the Kansas Corporation Commission and the U.S. Department of Energy in providing information about, and demonstrations of, available alternative motor fuels. Should the commission proposed in this bill be established, we certainly offer any continued cooperation requested.

Thank you, again. I stand for questions, should you have any.

HOUSE TRANSPORTATION  
March 14, 1994  
Attachment 8





Michael L. Johnston  
*Secretary of Transportation*

KANSAS DEPARTMENT OF TRANSPORTATION

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Joan Finney  
*Governor of Kansas*

**TESTIMONY BEFORE THE  
HOUSE TRANSPORTATION COMMITTEE  
REGARDING  
SENATE BILL 799  
AS AMENDED BY THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES  
CONCERNING ALTERNATIVE FUELS AND  
CERTAIN DUTIES OF THE STATE CORPORATION COMMISSION  
March 14, 1994**

Mr. Chairman and members of the Committee:

My name is Robert G. Haley and I am Director of Administration for the Kansas Department of Transportation. I appreciate the opportunity to appear before the Committee.

Senate Bill 799 as amended directs the Kansas Corporation Commission, in communication and cooperation with other state agencies including the Department of Transportation, to develop plans and timetables and undertake other tasks related to the use of alternative fuels and alternative fueled vehicles in the state. A report is to be made to the Governor and the Legislature prior to the 1995 legislative session. A final report is then to be presented, also to the Governor and the Legislature, prior to the 1996 legislative session.

It is the understanding of the Department, that the intent of this legislation is that the Kansas Corporation Commission would only make recommendations to the Governor and the Legislature. The recommendations would address the need for policy choices and the alternative available to both the Administration and the Legislature. The work of the Commission would not become binding until after administrative and legislative review.

HOUSE TRANSPORTATION  
March 14, 1994  
Attachment 9