MINUTES OF THE HOUSE TRANSPORTATION.

The meeting was called to order by Chairperson Gary Hazylett at 1:40 p.m. on March 13, 2001 in Room 519-S of the Capitol.

All members were present except:

Representative Jerry Aday, excused Representative Marti Crow, excused Representative Andrew Howell, excused Representative Judith Loganbill, excused Representative Jan Pauls, excused

Committee staff present:

Bruce Kinzie, Revisor Hank Avila, Research Ellie Luthye, Committee Secretary

Conferees appearing before the committee:

Senator Janice Lee
Representative Laura McClure
Steven Bittel, Kansas Rural Development Council
Loren Medley, Kansas Electric Power Coop
Ken Meier, Harvey County Commissioner
Randy Allen, Kansas Association of Counties
Charles Swayze,
Pat Hubbell, Kansas Railroad
Todd Johnson, Kansas Livestock Association

Others attending:

See attached sheet

<u>HCR 5016 - concurrent resolution requesting the Surface Transportation Board to declare a moratorium on all rail abandonments in Kansas</u>

Chairman Hayzlett called on Representative Laura McClure to give an overview of the resolution and the history of why the resolution was drafted. She said she was a member of the task force appointed by the Kansas Rural Development Council to draft this resolution which was asking there be no more abandonment of rails until a study could be completed which would set up another port of authority.

Steve Bittel, Kansas Rural Development Council spoke next in support of <u>HCR 5016</u>. He presented material which would demonstrate the far-reaching problems of rural communities which might lose their rail service. He said if local communities want to take charge of their future there is a need for them to form a port authority. He continued that transportation is a key ingredient for rural communities to thrive and that lack of transportation makes it difficult for rural communities to survive. He concluded lost rail service impacts not only the shippers but also effects farmers and local government as well. (<u>Attachment 1</u>)

Loren Medley, Kansas Electric Power Cooperative, Inc., presented maps which showed the different lines which were abandoned between 1965 and 1998, the rails owned by the same companies, the short lines and the Class I lines. He also showed grafts indicating the amounts of grains that were available to be transported by rail. He said some of the problems rail abandonment would create are 1) high cost of highway and bridge maintenance 2) loss of property valuation/tax revenue 3) loss of some economic activities and 4) direct loss of income to farmers. (Attachment 2)

Kenneth Meier, Harvey County Commissioner, gave a report on three elevators that transport grain in Harvey County, by truck, which showed 9,300 miles annually of truck traffic on the roads of Harvey County. He stated this amount of traffic was very detrimental to the bridges in the county and presented statistics showing the sufficiency rating of each of these bridges. (Attachment 3)

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Randy Allen, Kansas Association of Counties, said that rail abandonment has had a negative impact on county roads and bridges, many of which were not constructed to carry heavy loads of commodities formerly shipped by rails. He concluded the Kansas Association of Counties issued a policy statement, unanimously adopted by their membership, urging the federal Surface Transportation Board to declare a moratorium on all rural rail abandonment in Kansas until the State of Kansas, and local communities, have an opportunity to develop a rural transportation policy and determine the feasibility of a responsible party purchasing abandoned rail operations. (Attachment 4)

Charles Swayze, General Manager, Farmers Coop, Isabel, Kansas, told the committee that the short line railroads do not always make the effort to serve them with the rail cars they need. He said last year they needed 600 rail cars to ship wheat and they didn't furnish the rail cars. It was his feeling they were intentionally downgrading the lines by not repairing them, therefore not allowing any traffic to be on them and then applying for abandonment. They are asking for a moratorium on taking the total infrastructure out before they have time to evaluate it. He concluded these lines are so important to move the amount of grain they need to move but they are not getting the service.

Upon questioning from Representative Dreher, Mr. Meier presented his suggestions on what can be done regarding rail abandonment: 1) declare a moratorium 2) do impact study by independent group and give the county salvage rights for abandonment 3) and form a state and local partnership.

Pat Hubbell, Kansas Railroads, spoke in opposition to <u>HCR 5016</u>. He presented testimony showing what is required before a rail can be abandoned. He said the federal statute and the STB's rules constitute a system with a presumption in favor of continuation in service of rail lines if at all feasible. He also presented statistics showed railroad service and employment, freight railroad traffic in Kansas and freight railroads operating in Kansas. (Attachment 5)

Written testimony was submitted by Leslie Kaufman, Kansas Farm Bureau (<u>Attachment 6</u>) and James Irlandi, Kansas Rail Users Association, (<u>Attachment 7</u>)

Following questions from the committee Chairman Hayzlett closed hearings on HCR 5016.

SB 73 - registration exemption for certain farm trailers

Chairman Hayzlett opened hearings on <u>SB 73.</u> Senator Janis Lee said this bill was introduced because of a situation which has occurred in the north central and north west areas when a highway patrolman was interpreting the provision of K.S.A. 8-143 literally and was giving tickets, and forcing the owners of the trailers used to carry bales of hay only, to purchase a tag. She concluded the intention of K.S.A. 8-143 was to exempt trailers that just haul hay and forage as well as those that both pick up and haul hay and forage and <u>SB 73</u> would clarify the issue by exempting both. (Attachment 8)

Todd Johnson, Kansas Livestock Association, also spoke in support of <u>SB 73.</u> The trailer that has been ticketed is not designed to pick up bales, but instead to simply transport them. He stated if the trailers were designed to "self load" they would not be ticketed. He presented a picture of the trailer in question and stated this trailer had been manufactured in Phillipsburg, Kansas for 12 years and is sold in many counties and states. (<u>Attachment 9</u>)

There were no opponents to **SB 73.** Chairman Hayzlett closed hearings on **SB 73.**

The Chair called for discussion and final action on <u>SB 73</u>. Representative Dillmore made a motion to pass <u>SB 73</u> and place on the Consent Calender. This was seconded by Representative Dreher and the motion carried.

The minutes for the House Transportation Committee for March 6th, 7th, and 8th were presented for approval or corrections. Representative Dillmore made a motion to accept the minutes as presented, seconded by Representative Osborne and the motion carried.

Chairman Hayzlett adjourned the meeting at 3:05 p.m. The next meeting of the House Transportation Committee will be held on Wednesday, March 14th, 2001 in Room 519-S.