

MINUTES OF THE HOUSE TRANSPORTATION.

The meeting was called to order by Chairperson Gary Hazylett at 1:35 p.m. on February 13, 2001 in Room 519-S of the Capitol.

All members were present except:

Committee staff present:

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

Conferees appearing before the committee:

Representative Bruce Larkin
Representative Sharon Schwartz
Dan Harden, Public Works Director, Riley County
Ron Carn, Road Superintendent, Jefferson County/President, Kansas County Highway Association
Dave Comstock, Director, Division of Engineering and Design - KDOT
Jere White, Kansas Corn Growers
Leslie Kaufman, Kansas Farm Bureau
Bob Haley, Director, Division of Administration - KDOT

Others attending:

See attached sheet

HB 2225 - engineering fees charged to counties for federal aid projects

Chairman Hayzlett called on Representative Bruce Larkin as the first proponent. He said **HB 2225** was a provision in the statutes until it was repealed with the passage of the Comprehensive Transportation Plan in 1999. The bill, he continued, simply states the secretary cannot charge the counties a fee for engineering services which exceeds 10 percent of the counties share of the construction cost of such project. He asked that this provision be reinstated. (Attachment 1)

Representative Sharon Schwartz presented a statement showing the project costs of several projects in Marshall County. (Attachment 2)

Don Harden, Riley County engineer, gave testimony in support of **HB 2225**. He told the committee the repeal allows the Kansas Department of Transportation to charge Kansas counties what the agency feels is appropriate for construction engineering costs on a project and this makes it difficult for Kansas counties to create accurate project budgets. Also, reinstating this 10% cap would be an incentive for the Kansas Department of Transportation to control these engineering costs. (Attachment 3)

Ronald Karn, President of the Kansas County Highway Association, also spoke in support of **HB 2225**. He stated this bill would reinstate the limit counties would be charged for construction inspection on federal and bridge projects. Today small counties are forced to make a tough decision whether to replace a bridge or buy a motor grader that would maintain the roads and some counties cannot afford to be in the program with the current level of local participation. (Attachment 4)

David Comstock, Kansas Department of Transportation, said the Department remains neutral on **HB 2225**. He said the repeal was included in the 1999 Comprehensive Transportation Plan for 2 reasons: 1) would allow cities and counties to select consulting engineering firms to perform consulting engineering services and this would allow the cities and counties to have more control over the costs and 2) 68-402e had never applied to cities and by repealing this statute projects of both cities and counties would be treated equally. (Attachment 5)

Following questions from the committee Chairman Hayzlett closed hearings on **HB 2225**.

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE, Room 519-S of the Capitol at 1:40 p.m. on February 13, 2001.

HB 2142 - motor fuels, payments for selling blended motor fuels

Jere White, Kansas Corn Growers, spoke in support of **HB 2142**. He said this bill would create an incentive ranging from \$250 to \$1000 for Kansas retail motor fuel stations to provide for sale to the public gasoline blends containing ethanol either in 10% blends or as E-85. Kansas currently is operating four ethanol plants, producing approximately 36 million gallons of fuel in 2000 with about 10% of that amount consumed in Kansas. **HB 2142** would create a program for one year to encourage Kansas' fueling stations to provide ethanol blends. Such a program might provide the incentive for retailers that currently do not offer ethanol blends to explore the feasibility of doing so. He concluded the Kansas Corn Growers support this legislation as one component in Kansas' portfolio for encouraging increased use of ethanol - a domestically renewable and environmentally friendly fuel that helps provide new markets for agricultural products. (Attachment 6)

Chairman Hayzlett called on Leslie Kaufman, Associate Director, Kansas Farm Bureau. She said Farm Bureau's farmer and rancher members know that using agricultural products to produce non-food products provides additional marketing opportunities and the potential for increased prices for Kansas grown commodities. She presented a list of policy points that were adopted at the annual meeting of Kansas Farm Bureau which strengthened their policy on renewable fuels. She concluded this bill could play a role in developing an overall state policy advancing alternative fuel use. (Attachment 7)

Robert Haley, Director, Division of Administration, KDOT, presented information pointing out how **HB 2142** would impact the revenues available for the Comprehensive Transportation Program. He told the committee that under the bill the maximum payment for stations currently licensed by the Department of Revenue would be approximately \$3,600,000. (Attachment 8)

Chairman Hayzlett closed hearings on **HB 2142** following questions from the committee.

Minutes from the House Transportation Committee for February 6th, 7th, and 8th were presented for corrections or approval. Representative Ballou made a motion to accept the minutes as presented, seconded by Representative Levinson and the motion carried.

Chairman Hayzlett adjourned the meeting at 3:00 p.m. The next meeting of the House Transportation Committee will be Wednesday, February 14th in Room 519-S.

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