Approved:	August 31, 2010
	Date

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on March 11, 2010, in Room 152-S of the Capitol.

All members were present.

Committee staff present:

Bruce Kinzie, Office of the Revisor of Statutes Daniel Yoza, Office of the Revisor of Statutes Julian Efird, Kansas Legislative Research Department Jill Shelley, Kansas Legislative Research Department Cindy Shepard, Committee Assistant

Conferees appearing before the Committee:

Deb Miller, Secretary, Kansas Department of Transportation Joe Erskine, Deputy Secretary of Finance, Kansas Department of Transportation

Others attending:

See attached list.

The Chairman opened the continued hearings on <u>SB 498 - Transportation works for Kansas program, financing</u> and <u>SB 515 - Transportation works for Kansas, financing, sales tax on motor-vehicle fuels.</u>

Deb Miller, Secretary, Kansas Department of Transportation (KDOT), noted that before continuing her informational testimony, the Department has provided a listing of State Highway Fund (SHF) losses during the Comprehensive Transportation Plan, 1999 - 2009, requested at yesterday's meeting. The information also included SHF losses in Fiscal Year 2010, bringing the total SHF losses from FY 1999 through FY 2010, at \$1.020 billion (Attachment 1).

Secretary Miller continued with her testimony, stating that funding in <u>SB 498</u> fills 48% of the T-Link Gap, decreases Motor Fuel Tax (MFT) and adds sales tax. Funding in <u>SB 515</u> fills 60% of the T-LINK Gap, increases MFT and also implements indexing on MFT. Her testimony (<u>See Attachment 3 in March 10 minutes</u>) covered the following areas:

• Highways

Fully Fund Preservation

Project Selection - Legislation allowing flexibility

Selection Factors by Work Type - Preservation, Modernization and Expansion

Project Selection - Links projects to economic and regional priorities, serves rural and urban areas

Secretary Miller added that through the T-LINK Task Force surveys, the number one priority statewide, is to preserve and protect the investment in our existing system by funding preservation at 100%. At the funding level we are at today, if there is no additional revenue, as early as 2020, the highway system will be at the levels it was in 1985, prior to the 1989 and 1999 transportation programs. Currently 85% of the State's highways are in good condition, in the 1980s, less than half were in good condition.

• New Approaches to Meet Needs

Incorporation of practical improvement designs

Allow local governments to exchange federal aid funds for state funds

Local Roads

Increase Special City County Highway Fund Local Roads Priority Network

Secretary Miller indicated that Kansas has the fourth largest road network in the nation, 110,000 miles of roads, the majority of which are county roads. Additionally, there are 20,500 bridges in the state and more than 15,000 are county bridges. Many bridges are needing repair or replacement, usually at a cost of \$700,000 for a county bridge. She noted that at the current rate of funding, which covers 40 bridges per year, it will take 110 years to replace all of the bridges that are in need today, not to mention the ones that will

CONTINUATION SHEET

Minutes of the Senate Transportation Committee at 8:30 a.m. on March 11, 2010, in Room 152-S of the Capitol.

deteriorate in the future. She stated that county bridges are of great concern and needs higher priority at the local level.

• Transit - provide for a public transit program

Regional approach to improve rural services, revise rural and urban funding formulas Create a commuter corridor transit funding program

• Rail - provide for a railroad program

Expand program to allow local governments, shippers and industrial parks to be eligible

• Aviation - provide for aviation program

improve air ambulance coverage and enhance economic development

• Multimodal Economic Development Program

Communities given option to seize time-sensitive economic opportunities at local or state level Opens program to all modes

Secretary Miller concluded her testimony by providing information comparing <u>SB 515</u> and <u>SB 498</u> with the T-LINK recommendations (<u>Attachment 2</u>).

Joe Erskine, Deputy Secretary of Finance, KDOT, gave a brief overview of the funding and finance agenda for his presentation on funding the next 10-year comprehensive transportation plan (See Attachment 3 in March 10 minutes). Due to lack of time, Mr. Erskine stated he would begin his presentation tomorrow.

The Chairman announced the hearings on <u>SB 498</u> and <u>SB 515</u> would continue tomorrow at the regularly scheduled meeting.

The meeting was adjourned at 9:30 a.m. The next meeting is scheduled for March 12, 2010.