

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 5:30 p.m. on March 18, 2010, in Room 548-S of the Capitol.

All members were present.

Committee staff present:

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

Conferees appearing before the Committee:

Joe Erskine, Deputy Secretary of Finance, Kansas Department of Transportation (KDOT)

Others attending:

See attached list.

The Chairman called for action on **SB 498 - Transportation works for Kansas program, financing** and **SB 515 - Transportation works for Kansas, financing, sales tax on motor-vehicle fuels.**

Chairman Umbarger called on Joe Erskine, Deputy Secretary of Finance, KDOT, to review geographic distribution of transportation funding (See Attachment 3 in March 18 a.m. meeting) and the different funding scenarios (See Attachment 13 in March 17 p.m. meeting) under consideration for a new comprehensive transportation program. Chairman Umbarger indicated to concentrate attention on “Funding Scenario B” and “Funding Scenario E,” as Deputy Erskine continued reviewing the following:

- Distribution percentages should be met over a long period of time
- Minimum of \$5 million per county for highway construction
- A portion should be held back for economic opportunities
- No district shall receive more than 45% of the funding in a new program

KDOT provided a listing of proposed projects by grouped by districts, requested at the March 18, 2010 a.m. meeting (Attachment 1).

Discussion followed regarding oversight by the State Finance Council, and KDOT provided information regarding the membership, meetings and voting of the council (Attachment 2). It was determined to not recommend oversight by the State Finance Council.

Language to limit access to the State Highway Fund was requested by Senators Donovan and Huntington. Bruce Kinzie, staff revisor, reviewed the balloon amendment (Attachment 3). After discussion, no action was taken on the amendment.

Discussion continued in regard to limiting spending in one district, over the life of the program, to 45%, changing bond terms for Build America Bonds from 20 years to 25 years and expanding bonding cap to a limit of 18% debt service payments from projected SHF revenues for any year.

The Chairman recommended that two separate substitute bills be drafted, with the same language and provisions, except one with funding scenario B and the second with funding scenario E.

Senator Schmidt moved, Senator Kultala seconded, to remove **HB 2650** from the table. Motion carried.

KDOT provided a list of proposed technical amendments (Attachment 4).

Senator Hensley moved, Senator Huntington seconded, to draft a substitute for **HB 2510**, by deleting the contents, inserting language from **SB 498**, amended with KDOT’s technical changes, funding scenario B, inclusion of oversize overweight permit fee increases, removal of the motor carriers \$35 annual registration fees for trailers with a gross weight of more than 12,000 lbs. and re-title accordingly. Motion carried.

Senator Hensley moved, Senator Marshall seconded, to draft a substitute for **HB 2650**, by deleting the

CONTINUATION SHEET

Minutes of the Senate Transportation Committee at 5:30 p.m. on March 18, 2010, in Room 548-S of the Capitol.

contents, inserting language from **SB 498**, amended with KDOT's technical changes, funding scenario E, inclusion of oversize overweight permit fee increases, removal of the motor carriers \$35 annual registration fees for trailers with a gross weight of more than 12,000 lbs. and re-title accordingly. Motion carried.

The meeting was adjourned at 6:30 p.m. The next meeting is scheduled for March 19, 2010.