

Approved: March 29, 2010
Date

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Gary Hayzlett at 1:30 p.m. on March 3, 2010, in Room 783 of the Docking State Office Building.

All members were present except:

Representative Richard Proehl- excused

Committee staff present:

Bruce Kinzie, Office of the Revisor of Statutes
Scott Wells, Office of the Revisor of Statutes
Jill Shelley, Kansas Legislative Research Department
Betty Boaz, Committee Assistant

Conferees appearing before the Committee:

Senator Dick Kelsey
Lindsay Douglas, Legislative Liaison, KDOT
Deborah Fischer Stout, President of the Northern Flyer Alliance
Mark Corrison, VP, Kansas of the Northern Flyer Alliance
Carey Maynard-Moody, Station Renovation and Passenger Rail Service, Lawrence
Chris Cardinal, Legislative Coordinator, Sierra Club
Shelby Smith, Former Lt. Governor, Wichita
Vicky Johnson, Chief Counsel, KDOT
Leslie Kaufman, KS Cooperative Council
Mary Jane Stankiewicz, Jointly with KS Grain & Feed and KS Agri-Business Retailers
Martha Neu Smith, KS Manufactured Housing Association

Others attending:

See attached list.

Chairman Hayzlett called the meeting to order. He opened the hearing on **SB 409**.

SB 409 - Establishing the passenger rail service program

Chairman Hayzlett recognized Senator Dick Kelsey. (Attachment #1) Senator Kelsey spoke in support of **SB 409**.

The Chairman recognized Representative Pauls who also spoke in support of **SB 409**.

The Chairman recognized Senator Roger Reit who spoke in support of **SB 409**.

Chairman Hayzlett recognized Lindsay Douglas, Legislative Liaison for KDOT. (Attachment #2) Ms. Douglas said KDOT supports the general concept of passenger rail service, if economically feasible, and if the service would logically fit into the state's multimodal transportation network. According to Ms. Douglas **HB 409** is a broad framework of enabling legislation to allow KDOT to develop and administer a passenger rail program for Kansas at such time that the Legislature decides that a passenger rail program, including funding, is needed and is advantageous to Kansas.

The Chairman recognized Deborah Fischer Stout, President of The Northern Flyer Alliance and Mark Corrison, Vice President of the Northern Flyer Alliance who gave joint testimony in support of **SB 409**. (Attachment #3) They showed a power-point presentation. They said **SB 409** provides an appropriation mechanism for a potential state passenger rail funding program. This proposed funding program is designed to size appropriations such that both state and federal revenues can be collected and adjusted under legislative mandate. The proposed program will provide flexibility if the state authorizes supplemental passenger rail services.

Chairman Hayzlett recognized Carey Maynard-Moody, Station Renovation and Passenger Rail Service, Lawrence, KS. (Attachment #4) According to Ms. Maynard-Moody, the future of the Kansas economy will depend on taking full advantage of all modes of transportation: highway, air and rail. She said rail, both

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passenger and freight, are essential and as yet an undeveloped resource. Rail has the added benefit of being more fuel efficient and less environmentally harmful than cars, trucks, and planes.

The Chairman recognized Chris Cardinal, Legislative Coordinator for the Sierra Club. (Attachment #5) According to Mr. Cardinal, rail provides a solution for many of our most urgent transportation, energy and environmental problems. He said transportation generates about one-third of the greenhouse gases emitted in the country. Mr. Cardinal said freight rail transportation is an efficient form of surface transportation in that a freight train can move one ton of freight 438 miles on a single gallon of diesel fuel. He said freight railroads are three times more fuel-efficient than trucks and emit three times less carbon dioxide than trucks for the same transportation service.

Chairman Hayzlett recognized Shelby Smith, Former Lieutenant Governor, Wichita, KS. (Attachment #6) He said a recent financial impact study conducted by the University of Kansas School of Business has demonstrated that increased travel, tourism and employment along a passenger-rail route will return a regional economic benefit of \$3.20 for every \$1 invested. Mr. Smith said according to data from the U.S. Department of Energy, Amtrak is almost 20 percent more efficient on a per-passenger-mile basis than domestic airline travel, and 28 percent more efficient than auto travel.

The Chairman drew the Committee's attention to written testimony submitted by Ty E. Dragoo, Director/Chairman United Transportation Union (Attachment #7) and Matt Zimmerman, City Manager, Emporia, KS (Attachment #8). Both were in support of SB 409.

There were no additional proponents and no opponents so when all questions had been answered Chairman Hayzlett closed the hearing on SB 409. The Chairman opened the hearing on SB 462.

SB 462 - Sub for S 462 by Committee on Transportation – Regulating traffic, liability for damage to highway or structure

Chairman Hayzlett recognized Vicky Johnson, Chief Counsel with KDOT. (Attachment #9) According to Ms. Johnson, under existing law a driver and/or owner of a vehicle is liable for all damage caused by the driver to a highway or highway structure caused by illegal operation, driving or moving. She said SB 462 would clarify that the liability of a driver and the owner of the vehicle includes both reasonable direct and reasonable indirect costs associated with the repair. She said currently KDOT asks for reimbursement for the costs of repairs from the responsible party's insurance company and owners of the vehicles for damage caused to a highway or highway structure. Ms. Johnson said occasionally a bridge or an overhead structure sustains extensive damage and costs are incurred by KDOT in repairing the structure. She gave an example of damage to a bridge over I-70. The equipment hauler's insurance company said they would only be liable for the damage to the structure and not the associated costs. It cost KDOT over \$350,000 because they could not collect on indirect costs. The other change in SB 462 is to clarify that damages may be recovered when caused as a result of illegal acts "regardless of whether a ticket has been issued or not."

There were no other proponents on this bill so Ms. Johnson stood for questions.

The first opponent to SB 462 was Leslie Kaufman, representing KS Coordinating Council. (Attachment #10) According to Ms. Kaufman she understands KDOT's desire to recover all their costs when transportation infrastructure is damaged. She said she has concerns with the open-endedness of their approach. Ms. Kaufman said KDOT was willing to reinstate language linking damage liability to "illegal" operation and substituted "indirect" damages in place of "consequential" damages. She had a proposed balloon amendment attached to her testimony. She said there are still some concerns but adopting the recommendations in the balloon amendment will help.

The Chairman recognized Mary Jane Stankiewicz representing Kansas Grain and Feed Association and the Kansas Agribusiness Retailers Association, as the next opponent. (Attachment #11) Ms. Stankiewicz said even though some of the issues with this bill have been resolved, she still had concerns. She took issue with the proposal that would allow KDOT to receive payment regardless of whether a ticket has been issued or not and the section concerning the indirect costs.

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Chairman Hayzlett recognized the last proponent, Martha Neu Smith, Director of KS Manufactured Housing Ass'n. (Attachment #12) She said KMHA opposed **SB 462** in the Senate and then met with KDOT to try to reach an agreement. Ms. Neu Smith said her members are part of the oversize/overweight permit users and they understand KDOT's concern regarding damage to highways and their cost recovery. She said there are still two areas that need to be addressed - (1) whether a ticket has been issued or not and (2) indirect cost. She concluded by asking the Committee to adopt the balloon amendment offered earlier.

The Chairman drew the Committee's attention to written testimony from Melissa A. Wangemann, General Counsel and Director of Legislative Services (Attachment #13) and David Monaghan, American Family Insurance, (Attachment #14) in support of **SB 462**.

There were no additional proponents or opponents so after all questions were answered, the Chairman closed the hearing on **SB 462**.

The being no further business before the Committee, the meeting was adjourned.

HOUSE TRANSPORTATION COMMITTEE GUEST LIST

DATE: 3-3-10

NAME	REPRESENTING
Chris Cardinal	KS Sierra Club
Mary Ellen Cullie	Northern Flyer Alliance
Fred Shaw	NARVRE #140
Kendra Hanson	Hein Law Firm
Jerry L. Smith	Northern Flyer Alliance & Depot Redux
Mary Jane Staniewicz	KGFA
Leslie Kaufman	KS Co-op Council
Jan Rausch	Legislators #102
Martha Coper Smith	KMHA
Spencer Duncan	Capitol Connection
Tom Burger	Midwest Crane
David Hanson	KAPCIC
Lori Church	KAPCIC
Carey Maynard-Moody	Depot Redux
MARK CORRISTON	Northern Flyer Alliance
Sam Horvath	Beckwith Combs
David Hanson	KS Tourism Assoc
Brad Groot	Am Fam
Kimberly Johnson	KMCA / UPS