

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairperson Mike Petersen at 8:30 am on Tuesday, March 15, 2016, 546-S of the Capitol.

All members were present except:

Senator Anthony Hensley – Excused

Committee staff present:

Jill Shelley, Legislative Research Department

Whitney Howard, Legislative Research Department

Adam Siebers, Office of Revisor of Statutes

Carolyn Long, Kansas Legislative Committee Assistant

Conferees appearing before the Committee:

Scott Heidner, American Council of Engineering Companies of Kansas

Steve Hewitt, CEO, Kansas Turnpike Authority

Tara Mays, Kansas Turnpike Authority

Linda Coon, President, Kansas County Treasurers Association

Tom Franzen, Johnson County Finance Director

Joe Grisolano, Crawford County Treasurer

Others in attendance:

[See Attached List](#)

Hearing on: HB2605 — Authorizing the director of the Kansas turnpike authority to instruct the division of vehicles to refuse to register certain vehicles.

Chairman Petersen opened the Hearing on **HB 2605** and asked Adam Siebers, Assistant Revisor, Office of Revisor of Statutes for an explanation. Mr. Siebers noted this bill would authorize the Kansas Turnpike Authority (KTA) to provide a notice of toll-evasion violation to a registered vehicle owner who drives on any turnpike project but does not pay a toll. Failure to pay could result in the KTA authorizing the Department of Revenue Division of Vehicles to refuse renewal of registration of a vehicle until outstanding tolls are paid to the KTA.

Chairman Petersen drew the Committee's attention to a research paper ([Attachment 1](#)) prepared by the Kansas Legislative Research Department regarding "Other States' Laws on Collecting Unpaid Tolls."

Steve Hewitt, CEO, Kansas Turnpike Authority (KTA) said his stakeholders have encouraged the KTA to move away from gated electronic lanes. Following two brief videos illustrating traffic flow with and without the gates, he went on to explain that the KTA is considering new models for three high traffic terminals currently located at East Topeka, Bonner Springs, and the southern terminal near the Oklahoma border. Kansas benefits by being able to rely on gathering input and information from other tolling agencies that have already implemented the gateless systems, and those agencies say that it is

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imperative to have the ability to collect from those customers who do not pay ([Attachment 2](#)) .

Representing the KTA, Tara Mays supported the opinions of Mr. Hewitt and added that KTA officials understood the impact this bill would have on the county treasurers, noting that two amendments were added designed to ease the treasurers concerns. One added language reflecting tolls and fees incurred would have to be at least \$100 before the KTA would request a stop on a vehicle registration, while the other would allow county treasurers to retain 15% of fees collected ([Attachment 3](#)).

Written testimony in favor of the bill was presented by KDOT Secretary Mike King ([Attachment 4](#)) and KTA Board Member Dave Lindstrom ([Attachment 5](#)).

Speaking in opposition to the bill, Linda Coon, President, Kansas County Treasurers Association, stated that while her organization was supportive of the KTA to streamline services, the treasurers did not think it would be in the best interest of the residents of their counties to refuse to register vehicles ([Attachment 6](#)). Tom Franzen, Johnson County Treasurer & Finance Director, also spoke in opposition to the bill, stating they strongly opposed the requirement that county treasurers serve as the default collection method ([Attachment 7](#)). Also in opposition, Joe Grisolano, Crawford County Treasurer, reminded the committee that the treasurers' r main duty is the collection and distribution of property taxes for all taxing entities and if this cannot be accomplished, all entities suffer ([Attachment 8](#)).

He also requested more time for the treasurers to work with the KTA on a solution, because the treasurers' organization had not been notified of this idea until early February.

Written testimony, also in opposition, was submitted by Larry Mah, Shawnee County Treasurer ([Attachment 9](#)).

Senator Schmidt requested an updated fiscal note and Senator Fitzgerald asked about the possibility of using the judicial system as a collection alternative. There being no further testimony, the Chairman closed the hearing on **HB 2605**.

Informational briefing:

Chairman Petersen welcomed Scott Heidner, Executive Director for the American Council of Engineering Companies of Kansas (ACEC). Mr. Heidner was appearing before the Committee to present opposition to Recommendations one and three of the Transportation Section of the Alvarez & Marsal (A&M) report. Responding to Recommendation #1, he said the organization is specifically addressing the part where the report suggests movement away from the current Qualifications Based Selection (QBS) process and not the accompanying recommendations having to do with the Davis Bacon prevailing wage law or design/environmental standards. QBS is required by the federal

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government and is codified in state law in most states as it has been shown to provide the best value to the taxpayer. If looking only at design fees, removing QBS requirements would probably result in initial savings by the state taking the lowest bid; moving away from QBS has shown over time that the result is more change orders and higher costs in preservation and maintenance over the life of the project. The belief that QBS provides the best value to the taxpayer is almost universal. The A&M Study lists five states that do not have QBS statutes, however; ACEC research indicates that only one of the five does not have QBS in statute, and that state (Iowa) uses it nevertheless.

Recommendation #3 suggests adding 20 additional design staff at KDOT rather than outsourcing the work to the private sector. ACEC strongly disputes the cost savings estimates shown and the assertion that the work can be done cheaper and more efficiently by the public sector. ACEC has a great partnership with KDOT and trusts KDOT officials' judgment regarding engineering positions within their agency. The idea of creating new positions at KDOT to regain work from the public sector is an unnecessary approach to staffing. The private sector provides outstanding innovation and service and are best suited to provide the design services for the state ([Attachment 10](#)).

Written opposition to parts of both Recommendations One and Three was provided by Ashley Sherard ([Attachment 11](#)); Lenexa Chamber, Cathy Bennett, VP, Greater Kansas City Chamber ([Attachment 12](#)); Tom Robinett, Overland Park Chamber ([Attachment 13](#)); and Brian Armstrong, Kansas Society of Professional Engineers ([Attachment 14](#)).

Following questions from the Committee, the Chairman closed the information hearing and thanked all participants for their presentations.

Approval of Minutes

The Chairman called for the approval of minutes for February 9, 2016, February 10, 2016, and March 3, 2016. Moved by Senator Donovan, seconded by Senator Pettey to approved the minutes as presented. Motion carried.

Possible action on bills previously heard

There being no final action, the Chairman adjourned the meeting at 9:30 a.m. The next meeting is scheduled for March 16, 2016.