

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Tuesday, March 17, 2015, 548-S of the Capitol.

All members were present except:

Senator Michael O'Donnell – Excused

Committee staff present:

Jill Wolters, Office of Revisor of Statutes

Daniel Yoza, Office of Revisor of Statutes

David Wiese, Office of Revisor of Statutes

Justin Carroll, Legislative Research

Ben Wilhelm, Legislative Research

Aaron Klaassen, Legislative Research

Debbie Luper, Chief of Staff

Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Steve Hewitt, Chief Executive Office, Kansas Turnpike Authority

Mike King, Secretary, Kansas Department of Transportation

Tom Whitaker, Executive Director, Kansas Motor Carriers Association

Others in attendance:

No list available

On a point of personal privilege:

Senator Masterson introduced his wife, Marlo and his children Mindy, Abby, T J, Marshal, and Kenzy who were observing at the Capitol during spring break.

Senator Kerschen introduced his Pages Olivia Malanchuck, Kylee O'Dell, Emilie Barker and Josie Russell from Mulvane Middle School.

Bill introductions

Senator Kerschen made a motion to introduce proposed legislation concerning State owned facilities and property tax. The motion was seconded by Senator Arpke and the motion passed on a voice vote.

Senator Arpke introduced proposed legislation concerning the State Health Care Benefit program.

Senator Kerschen seconded the motion and the proposed legislation was introduced.

Senator Denning made a motion to introduce proposed legislation concerning Kansas Code of Military Justice. The motion was seconded by Senator Arpke and the motion passed on a voice vote.

Hearing on: HB2085 — Contracts between the secretary of transportation and the Kansas Turnpike Authority; annual reports from the authority; director of operations.

The Chairperson opened the hearing on **HB2085.**

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Daniel Yoza, Assistant Revisor, explained **HB2085**, which he said does three things:

- Removes the sunset on **HB2234**, passed in 2013;
- Names the Secretary of Transportation as the "Director of KTA" as opposed to "Director of Operations";
- Changes reporting requirements related to the annual report from the KTA to the Governor ([Attachment 1](#)).

PROPOSERS:

Steve Hewitt, Chief Executive Officer, Kansas Turnpike Authority, a proponent, said this legislation allows the continuation of a successful formalized partnership between Kansas' two transportation entities ([Attachment 2](#)).

Senator Melcher asked Mr Hewitt what he meant when he spoke of removing gates at the turnpike in high traffic areas. Mr Hewitt responded that if you currently have a Ktag, there are gates that open and close when you enter and exit the turnpike. If a person from out-of-state tries to get through one of these gates, traffic backs-up because Kansas doesn't currently recognize electronic readers from other states. He indicated that they had listened to their customers and removed some gates because they want what best suits customers and businesses. Mr Hewitt said while safety is a priority, they recognize there is a potential for lost revenue with the gate issue.

Senator Tyson asked if Kansas participants in pass and prepass programs. Mr Hewitt responded that Kansas does not currently participate. She asked for a timeline for implementation. Mr Hewitt said they were working on it now, and it should be finalized sometime this year.

Mike King, Secretary of the Kansas Department of Transportation (KDOT) said this bill accomplishes these things:

- Allows the work of the partnership to continue without undoing the excellent work accomplished up to this point;
- Allows the Kansas Turnpike Authority to move from a calendar financial year to a fiscal financial year;
- Technically changes the title of the KDOT Secretary to Director of the KTA, since the Chief Executive Officer of the KTA is handling the day-to-day operations ([Attachment 3](#)).

KDOT Secretary King also included with his testimony, the Kansas Turnpike Authority's Innovation Team Success Savings Tracker ([Attachment 4](#)).

Senator Francisco acknowledged there have been savings due to efficiencies by partnering KDOT and KTA, and asked Mr King to expound on savings realized with their bond portfolio. Mr King said they refinanced and paid off some bonds which would have been impossible if they had remained separate entities.

Tom Whitaker, Executive Director, Kansas Motor Carriers Association spoke as a neutral party to

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SB2085. He said they vigorously opposed **HB2234** in 2013, the bill which set-up the new structure for the relationship between KDOT and the KTA. He said there have been positive results emerge from the partnership; therefore, the Motor Carriers' Association would not oppose removing the sunset provision [Attachment 5](#)).

Final action on: HB2085 — Contracts between the secretary of transportation and the Kansas Turnpike Authority; annual reports from the authority; director of operations.

Chairperson Masterson asked if there were any objections to taking final action on **SB2085** since it was not a highly controversial bill. There were no objections from any of the committee members to taking final action on the bill.

*Senator Denning made a motion to pass **SB2085**. Senator Arpke seconded the motion and the bill was passed out favorably.*

The next Ways and Means Committee meeting is scheduled for March 18, 2015, at 10:30 am, in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 11:10 am.