

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Gary Hayzlett at 12:00 on January 22, 2009, in Room 143-N of the Capitol.

All members were present except:

Representative Barbara Ballard- excused
Representative Virgil Peck- excused
Representative Sharon Schwartz- excused

Committee staff present:

Betty Boaz, Administrative Assistant
Hank Avila, Kansas Legislative Research Department
Jill Shelley, Kansas Legislative Research Department
Bruce Kinzie, Office of the Revisor of Statutes

Others attending:

See attached list.

The next meeting is scheduled for January 27, 2009.

The meeting was adjourned at 1:30 p.m.

Chairmen Hayzlett and Umbarger opened the meeting with a few remarks. All members introduced themselves by name and districts.

Chairman Hayzlett introduced Secretary of Transportation, Deb Miller who talked to the Committee about some of the issues that are important to the Department of Transportation. Secretary Miller stated that there are 10,000 miles of state highways with more than two million registered vehicles in Kansas. Some of the topics Secretary Miller discussed included: KDOT Resources Strategically Deployed (KDOT employs over 3100 employees), Transportation Funding in Kansas (according to Secretary Miller the main state sources were through motor fuels taxes, registration fees, sales tax and bond proceeds), Funds projected in 2010, Comparison of State Motor Fuels Tax with neighboring states, State Sales Tax History, Federal Funding, Expenditures, Cash Flow, and Debt.(Attachment #1)

After all questions from members of the Joint Committee were answered, the meeting was adjourned.

SENATE TRANSPORTATION COMMITTEE

GUEST LIST

House Joint Meeting

DATE: 1-22-09

NAME	REPRESENTING
Jim AuBuchan	Hwy 69 Assoc. of KANSAS
Bud Burke	"
TyE Dragan	United Transportation Union
Don Lindsey	UNITED TRANSPORTATION Union
WICK DUNCAN	KS public transit ASSN
Tom Whitaker	KMCA
Pat Halbell	KS RR 5
Whitney Danner	City of Topeka
Patrick Hurley	Economic Referrals
Spencer Duncan	Capitol connection ks
Sara Belfry	Kansas Chamber of Commerce
Wendy Harris	KAPPA - KEMCA
Wendy Madsen	KAPPA - KEMCA
Edward De Soiquie	Heavy Constructors Assoc. of KC
KEVIN GREGG	KMCA
Dana Peterson	Ks Wheat Growers
Norm Bowas	Kan Assoc. Couriers
Tom Gschler	KSPE
Travis Lowe	Pinegar, Smith & Assoc.



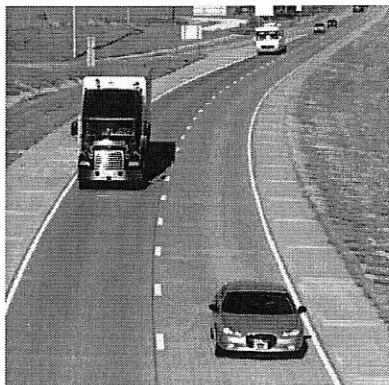
Joint Committee on Transportation
January 22, 2009

Overview

- Agency– At a Glance
- Revenues/Expenditures
- Past Programs
- Current Status of the CTP
- Moving Forward
 - T-LINK efforts

House Transportation
Date: 1-22-09
Attachment # 1

Transportation Moves People and the Kansas Economy



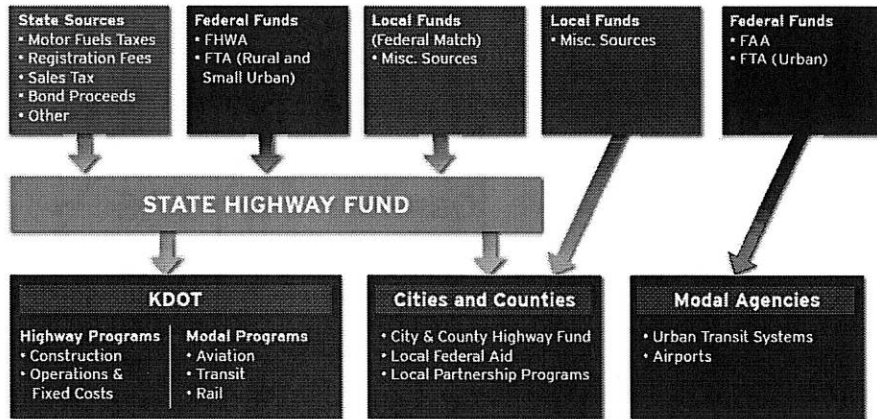
- 10,000 miles of state highways
- More than 2 million registered vehicles
- Nearly 2 million licensed drivers
- More than \$900 billion of goods shipped to, from and within Kansas annually

KDOT's Resources Strategically Deployed

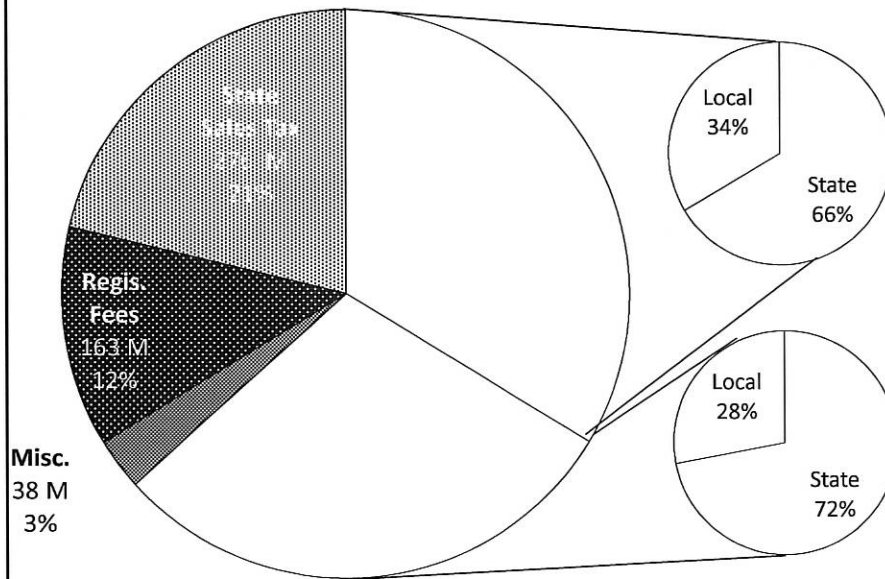


- 3,100 employees
- 2,000 employees in 6 districts / 26 areas
 - Road maintenance and construction inspection
- 1,000 employees at headquarters
 - Planning and local projects
 - Road and bridge design
 - Aviation, rail, and transit services
 - Signs, access, and speed limits

Transportation Funding in Kansas

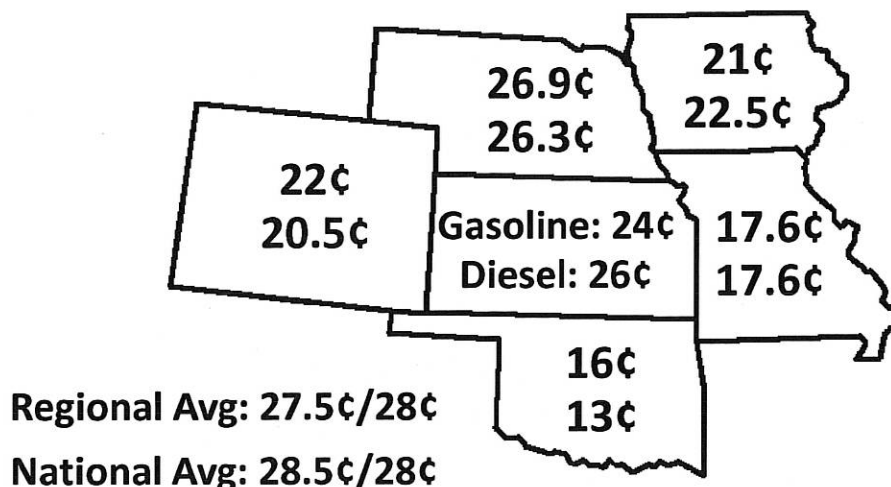


State Highway Fund Projected 2010 Revenues



State Motor Fuels Tax

1¢/gallon yields \$17 million



State Sales Tax: History

1983: Added 9.2% transfer of all sales tax proceeds. Was to be phased in, never reached higher than 4.9%

1989: Transfer increased to 10%, direct 0.25-cent sales tax added

1999: Passed incremental increases to transfer that maxed at 12% in 2005

2002-2004: Eliminated transfer, phased increase of direct sales tax to 0.65-cents by 2008

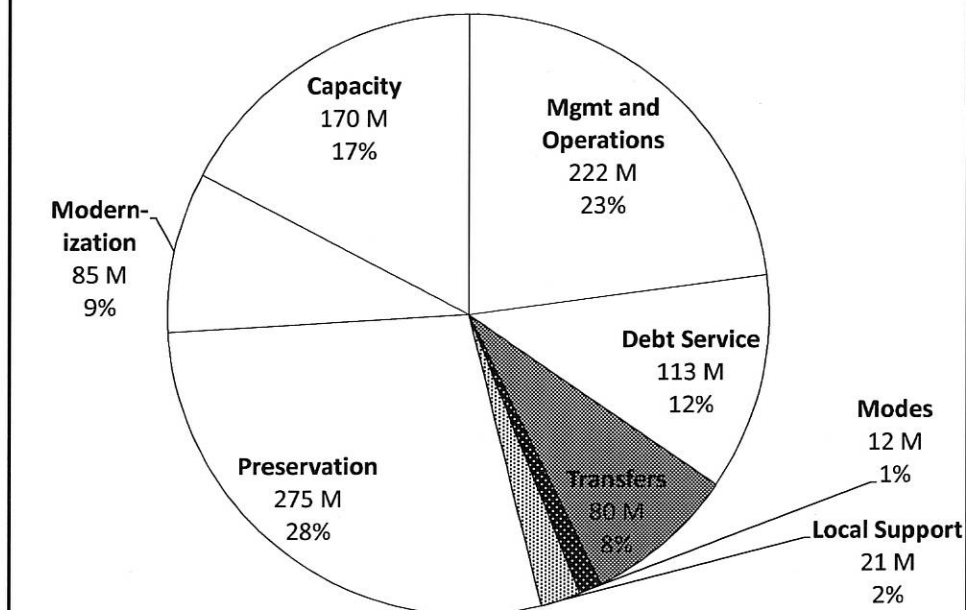
Existing Sources:
Vehicle Registration Fees

	Car	Truck
Kansas Average	\$39 (\$4 for VIPs)	\$1,770
Regional Average	\$55	\$2,072
National Average	\$50	\$1,675
Yield of \$1 increase	\$2.4 million	\$170,000
CTP increase	\$5	\$2-10

Federal Funding

- Current federal bill expires in 2009
- Much uncertainty about next bill
- KDOT's base assumption
- Federal fuel tax: 18.4 ¢/gallon

KDOT's Avg. CTP Expenditures



Program vs. Cash Flow

For example, in 2008:

Lettings: \$430 million

Cash payments: \$755 million

CTP payouts will continue through 2014

Debt

	CHP	CTP	TOTAL
Debt Authorized	\$890	\$995 '99 \$277 in '02 \$1,272 TOTAL	\$2,162
Current Principle	\$415	\$1,292	\$1,707
Principle in 2014	\$0	\$1,161	\$1,161
Principle in 2025	\$0	\$0	\$0

Debt

Minimum debt level: \$250 M in 1992

Maximum debt level: \$1.9 B in 2005

Weighted Average Interest

June 1992	6.5%
June 2000	5.5%
June 2008	3.5%
Dec 2008	4.9%

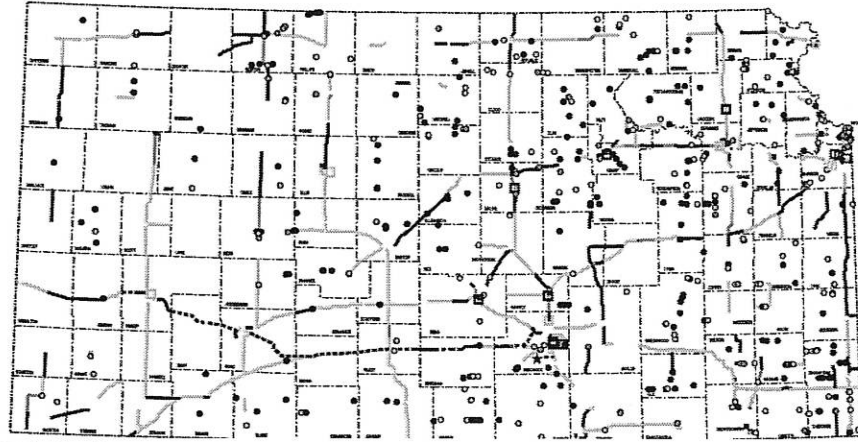
Comparing the two programs

	'89 CHP	'99 CTP
Repair Highways & Expand System	\$3.1 B	\$5.6 B
Transit	\$5.4 M	\$52.4 M
Aviation	\$0	\$30 M
Rail	\$0	\$30 M

Funding for the CHP & CTP

	CHP	CTP
MFT	7¢ phased	6¢ phased
Sales Tax: -- Direct Deposit -- Transfer	.25 ¢ 10% → 6%	.25 ¢ → .65 ¢ 12% → 0%
Reg. Fees	50% rate ↑ cars 33% rate ↑ trucks	(eventually) \$5 cars \$2-10 trucks
Bonds	\$890 M	\$ 995 M <u>+\$ 277M</u> \$1.272 B

Transportation Projects: 1990-2009

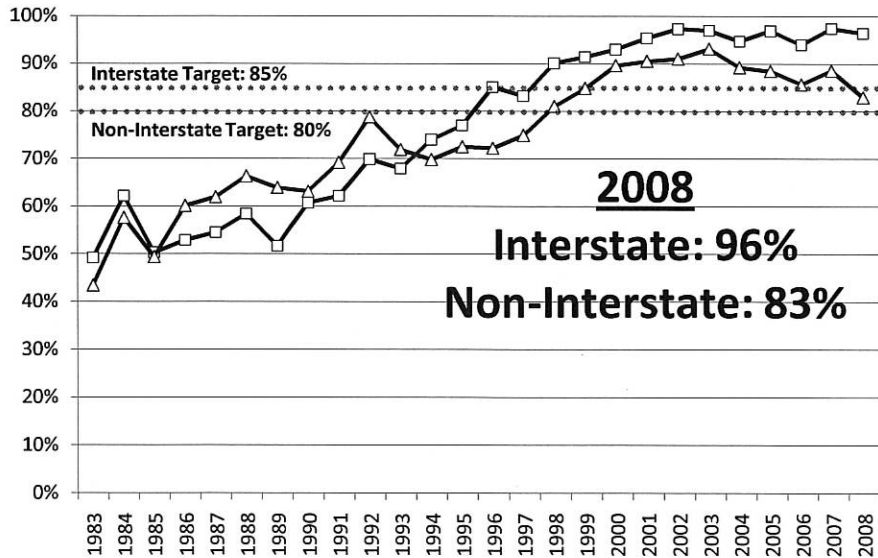


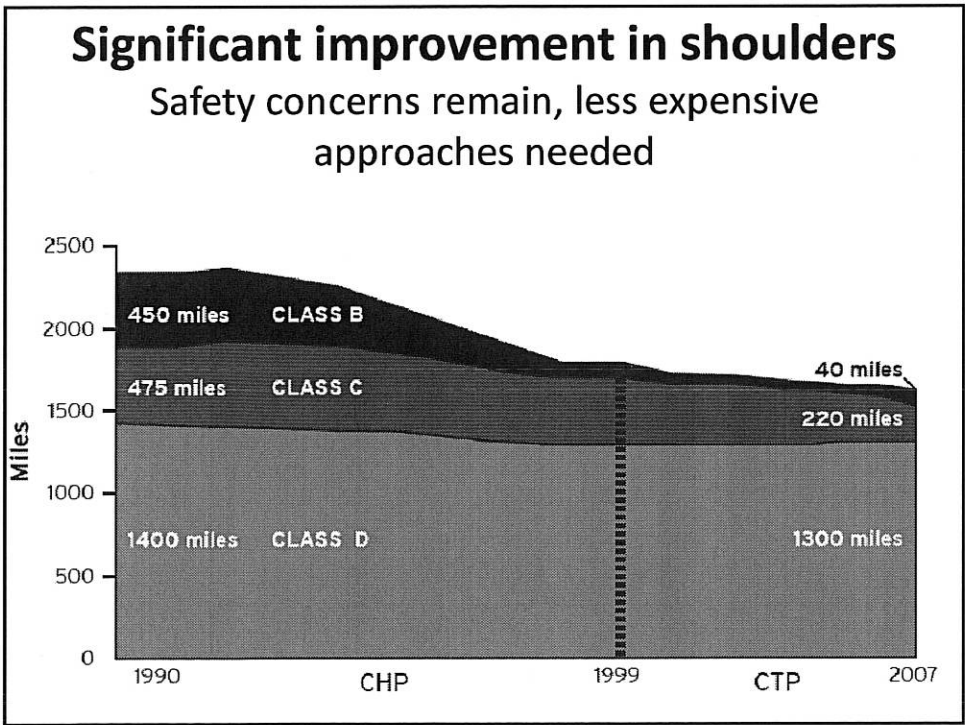
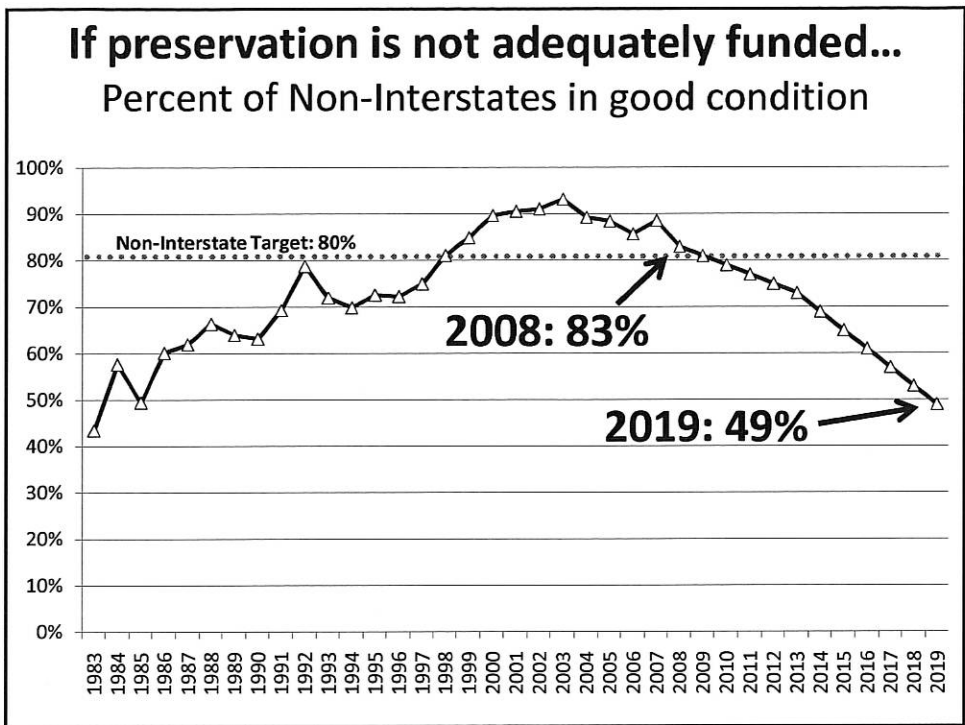
- Roadway
- Bridge
- Interchange

CHP Projects (1990-97)
Interim Projects (1998-99)
CTP Projects (2000-09)

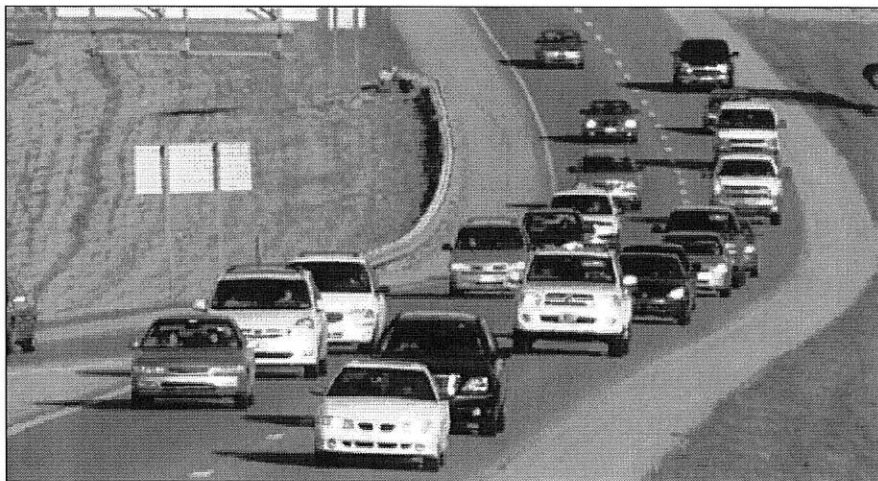
Highway Preservation

Percent of pavement in good condition





Capacity is a growing concern



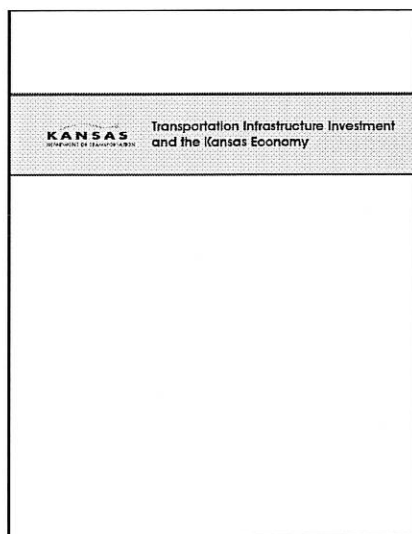
Completing the CTP

- More than \$561 M remains to be let
- Major Projects
 - K-61 in Reno and McPherson County
 - Amelia Earhart Bridge in Atchison
 - US-169 in Montgomery County
 - US-50 in Finney County

Other happenings

- **K-TOC: a transportation online community**
www.ktoc.net
 - Launched last week, 300+ members already
 - Great low cost way to interact with citizens
 - KDOT is leading the way in this arena
- **Several key studies are underway or nearing completion**
 - 5 County Transportation Study in Kansas City
 - Freight Study
 - Amtrak Study
 - Toll Study
 - Economic Impact Studies

Transportation Investments & the Kansas Economy



Five Case Studies of Past Transportation Projects

Project	Project Cost	Jobs Added	Economic Value Added
Parsons - US-400 Bypass	\$27 M	1,400	\$56 M
Wichita - K-96 Bypass	\$103 M	24,000	\$1.6 B
WY County - 110 th St Interchange	\$50 M	5,700	\$186 M
Overland Park - Nall Ave Interchange	\$48 M	17,500	\$4.1 B
Hays - Commerce Pkwy Interchange	\$3.5 M	2,200	\$111 M
TOTAL	\$231 M	50,800	\$6.1 B

Major issues to come

- T-LINK – Governor’s Task Force
 - Final meeting is Monday, Jan 26th
 - Summary is available online, full final report due next week
 - Will go into further detail in subsequent committee meetings
- Funding Uncertainty
 - State
 - Federal
 - Economic Stimulus