

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on February 12, 2010, in Room 152-S of the Capitol.

All members were present.

Committee staff present:

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

Conferees appearing before the Committee:

Ron Seeber, Vice President of Government Affairs for the Kansas Grain and Feed Association
Leslie Kaufman, Executive Director, Kansas Cooperative Council
Terri Heidner, Legislative Liaison, Kansas Department of Transportation

Others attending:

See attached list.

Chairman Umbarger called for action on **SR 1821 - Visually impaired pedestrians; motor vehicle safety** Senator Donovan moved, Senator Petersen seconded, recommending SR 1821 favorably for passage. Motion carried.

The Chairman opened the hearing on **SB 502 - Railroad assistance programs, department of transportation**. Bruce Kinzie, staff revisor, reviewed the bill.

Ron Seeber, Vice President of Government Affairs for the Kansas Grain and Feed Association appeared as a proponent of **SB 502** which allows for more flexibility for expanding rail infrastructure, improving access to elevators allowing more efficient movement of grain (Attachment 1).

Leslie Kaufman, Executive Director, Kansas Cooperative Council testified in support of **SB 502**. She stated this measure will expand the definition of qualified entities under the statute, opening up participation to cities, counties and industrial park authorities (Attachment 2).

Terri Heidner, Legislative Liaison, Kansas Department of Transportation (KDOT), presented neutral testimony regarding **SB 502**. He stated that KDOT wholeheartedly agrees with this change, but have recently concluded that they can effect such a change through rules and regulations, therefore KDOT believes **SB 502** may not be needed. Additionally, the requirement that is outlined in Sec. 2 (d) can also be implemented through rules and regulations (Attachment 3).

After discussion, the Committee determined that the changes outlined in **SB 502** should run through rules and regulations. KDOT indicated they would initiate the change. Senator Donovan moved, Senator Schmidt seconded, to table SB 502. Motion carried.

The Chairman called for action on **SB 409 - Establishing the passenger rail service program**. Bruce Kinzie reviewed the bill. He indicated that it is an internal improvement bill, needing a two-thirds majority vote for passage. During discussion, Mary Ellen Conlee representing Northern Flyer Alliance, was called upon for clarification on why we need this bill now. She stated that **SB 409** is modeled after an Iowa bill and passage of this bill will put Kansas in a stronger position for federal grants. Absent any legislative action, the federal government will think Kansas isn't interested in passenger rail. This bill enables the capability to establish the fund.

Senator Hensley moved, Senator Kultala seconded, to recommend SB 409 favorably for passage. Motion carried.

The meeting was adjourned at 9:18 a.m. The next meeting is scheduled for February 16, 2010.



Written Statement of the Kansas Grain and Feed Association in Support of Senate Bill 502

**Presented to the Senate Transportation Committee on February 12, 2010
Senator Dwayne Umbarger, Chair**

Chairman Umbarger and members of the Senate Transportation Committee, I am Ron Seeber, Vice President of Government Affairs for the Kansas Grain and Feed Association.

KGFA is a 114 year old trade association which has as members those Kansas agribusinesses engaged in the business of receiving, storing and marketing of grain grown by Kansas farmers.

I appear before you today as a proponent of Senate Bill 502. This bill allows for more flexibility for expanding rail infrastructure. By expanding eligibility for the short-line rail program to include shippers, local governments, and industrial parks, we can improve access to elevators allowing more efficient movement of grain. If this can be done through the rules and regulations process, we would be supportive as well.

Thank you for this opportunity to testify on this important legislation.

Senate Transportation
2-12-10
Attachment 1



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**Senate Transportation Committee
Feb. 12, 2010**

**SB 502 - expanding "qualified entities" for railroad loan
guarantee programs.**

Chairman Umbarger and members of the Senate Transportation Committee, thank you for the opportunity to comment in support of SB 502. As you know, this measure will expand the definition of "qualified entities" under the statute, opening up participation to cities, counties and industrial park authorities.

The Kansas Cooperative Council is a voluntary, statewide trade association representing all forms of cooperative businesses across the state -- agricultural, utility, credit, financial, refining and consumer cooperatives. Many of our members rely on rail service for shipping and receiving products, thus this bill before you today is of interest to us.

Efficient rail service is important for moving grain through the marketing system, distribution of agricultural inputs and bringing in coal for power generation. All of these activities are important to one or more segments of the Kansas co-op family

Over the years, the Kansas Cooperative Council has supported many initiatives designed to expand and/or improve rail service across our great state. As we see it, the bill before you is just another step in furthering rail service in Kansas. We are supportive of this type of initiative, whether it advances legislatively or through the regulatory process.

We appreciate the opportunity to share our comments on SB 502. If you have any questions regarding our testimony or position on this bill, please feel free to contact me at 785-220-4068. Thank you.

Leslie Kaufman, Executive Director
Kansas Cooperative Council

Senate Transportation
2-12-10
Attachment 2

**TESTIMONY BEFORE
SENATE TRANSPORTATION COMMITTEE**

**REGARDING SENATE BILL 502
RELATED TO EXPANDING THE FREIGHT RAIL PROGRAM**

February 12, 2010

Good morning Mr. Chairman and members of the committee. I am Terry Heidner, Legislative Liaison for the Kansas Department of Transportation (KDOT). Thank you for giving KDOT the opportunity to testify on Senate Bill 502.

The primary effect of SB 502 would be to expand the list of entities that are specifically listed in statute as "qualified" applicants for funding assistance under KDOT's current freight rail program. KDOT has completed extensive public outreach over the past three years and we heard from Kansans about the need to have local governments and industrial park authorities be eligible for the program. T-LINK, the statewide transportation task force, included this in their recommendations. This past summer's interim transportation committee also recommended this change and hence we have SB 502.

KDOT wholeheartedly agrees with this change. However we have recently concluded that we can effect such a change through rules and regulations and therefore we believe SB 502 may not be needed. We can also implement the requirement that is outlined in Sec. 2 (d) through rules and regulations.

I would be happy to stand for questions at the appropriate time.