

## MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on March 11, 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:

Deb Miller, Secretary, Kansas Department of Transportation  
Joe Erskine, Deputy Secretary of Finance, Kansas Department of Transportation

## Others attending:

See attached list.

The Chairman opened the continued hearings on **SB 498 - Transportation works for Kansas program, financing** and **SB 515 - Transportation works for Kansas, financing, sales tax on motor-vehicle fuels.**

Deb Miller, Secretary, Kansas Department of Transportation (KDOT), noted that before continuing her informational testimony, the Department has provided a listing of State Highway Fund (SHF) losses during the Comprehensive Transportation Plan, 1999 - 2009, requested at yesterday's meeting. The information also included SHF losses in Fiscal Year 2010, bringing the total SHF losses from FY 1999 through FY 2010, at \$1.020 billion (Attachment 1).

Secretary Miller continued with her testimony, stating that funding in **SB 498** fills 48% of the T-Link Gap, decreases Motor Fuel Tax (MFT) and adds sales tax. Funding in **SB 515** fills 60% of the T-LINK Gap, increases MFT and also implements indexing on MFT. Her testimony (See Attachment 3 in March 10 minutes) covered the following areas:

- Highways
  - Fully Fund Preservation
  - Project Selection - Legislation allowing flexibility
  - Selection Factors by Work Type - Preservation, Modernization and Expansion
  - Project Selection - Links projects to economic and regional priorities, serves rural and urban areas

Secretary Miller added that through the T-LINK Task Force surveys, the number one priority statewide, is to preserve and protect the investment in our existing system by funding preservation at 100%. At the funding level we are at today, if there is no additional revenue, as early as 2020, the highway system will be at the levels it was in 1985, prior to the 1989 and 1999 transportation programs. Currently 85% of the State's highways are in good condition, in the 1980s, less than half were in good condition.

- New Approaches to Meet Needs
  - Incorporation of practical improvement designs
  - Allow local governments to exchange federal aid funds for state funds
- Local Roads
  - Increase Special City County Highway Fund
  - Local Roads Priority Network

Secretary Miller indicated that Kansas has the fourth largest road network in the nation, 110,000 miles of roads, the majority of which are county roads. Additionally, there are 20,500 bridges in the state and more than 15,000 are county bridges. Many bridges are needing repair or replacement, usually at a cost of \$700,000 for a county bridge. She noted that at the current rate of funding, which covers 40 bridges per year, it will take

## CONTINUATION SHEET

Minutes of the Senate Transportation Committee at 8:30 a.m. on March 11, 2010, in Room 152-S of the Capitol.

110 years to replace all of the bridges that are in need today, not to mention the ones that will deteriorate in the future. She stated that county bridges are of great concern and needs higher priority at the local level.

- Transit - provide for a public transit program
  - Regional approach to improve rural services, revise rural and urban funding formulas
  - Create a commuter corridor transit funding program
- Rail - provide for a railroad program
  - Expand program to allow local governments, shippers and industrial parks to be eligible
- Aviation - provide for aviation program
  - improve air ambulance coverage and enhance economic development
- Multimodal Economic Development Program
  - Communities given option to seize time-sensitive economic opportunities at local or state level
  - Opens program to all modes

Secretary Miller concluded her testimony by providing information comparing **SB 515** and **SB 498** with the T-LINK recommendations (Attachment 2).

Joe Erskine, Deputy Secretary of Finance, KDOT, gave a brief overview of the funding and finance agenda for his presentation on funding the next 10-year comprehensive transportation plan (See Attachment 3 in March 10 minutes). Due to lack of time, Mr. Erskine stated he would begin his presentation tomorrow.

The Chairman announced the hearings on **SB 498** and **SB 515** would continue tomorrow at the regularly scheduled meeting.

The meeting was adjourned at 9:30 a.m. The next meeting is scheduled for March 12, 2010.

# SENATE TRANSPORTATION COMMITTEE GUEST LIST

DATE: 3-11-10

NAME	REPRESENTING
Reed Davis	KDOT
Alicia Johnson	KDOT
Marci Ferrell	KDOT
<b>BRUCE BURDITT</b>	<b>KDOT</b>
Kyle Malcom	KDOT
Denise Petet	KDOT
Terry Heidner	KDOT
TED HENRY	CAPITOL STRATEGIES.
Kelli Kurikawa	KLA
KEVIN GREGG	KMCA
Ken Eckles	KS Chamber.
Patrick Hurley	Economic Excellence
Nora Lockton	Greater KC Chamber
Cathy Bennett	.
<b>MARK BORANYAK</b>	<b>CAPITOL STRATEGIES</b>
Whitney James	KS Good Roads, Inc.
Sandy Breden	Gaches, Braden & Assoc.
Sara Hawthorn	Intern - Sen. Vicki Schmidt
Woody Moss	KKPA
Curt Kitten	Monarch Cement

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DATE: 3-11-10

NAME	REPRESENTING
Sarah Sexton-Bowser	KS Grain & Feed
Robin Tennison	Southern Kansas Coalition

**State Highway Fund losses during the CTP  
1999 - 2009**

	(\$ millions) 2000-2009
<b>Sales Tax</b>	
Reduction in the Sales Tax Transfer 2000-2009, transfer eliminated	\$ (1,438)
Increase in Sales Tax direct deposit	\$ 421
<b>Loan to the State General Fund</b>	\$ (125)
Repayments on Loans to the State General Fund	\$ 63
<b>Motor Fuel Taxes</b>	
Increase in the Motor Fuel Tax by 2002 Legislature	\$ 207
<b>Transfers</b>	
State General Fund to fund the KHP	\$ (174)
Affordable Airfare	\$ (15)
Offset in SGF tranfer for Affordable Airfare	\$ 10
<b>Bond Proceeds backed by the State General Fund</b>	
2004 Issue	\$ 210
<b>Total FY 2000 to FY 2009</b>	<b>\$ (841)</b>

**State Highway Fund losses in FY 2010**

	2010
<b>Transfers</b>	
State General Fund to fund the KHP	\$ (36)
Affordable Airfare	\$ (5)
Transfers to the State General Fund	\$ (108)
To SC&CHF	\$ (5)
<b>Bond Proceeds backed by the State General Fund</b>	
Tranfer to the SGF to pay the debt service on above bonds	\$ (25)
<b>Total FY 2010</b>	<b>\$ (179)</b>

**Total SHF Losses FY 1999 through 2010                   -\$1.020 Billion**



### Comparing SB 515 and SB 498 with the T-LINK Recs

Average annual numbers over 10 year program (in millions)

Category		No Program	T-LINK Rec	SB 515	% of Gap filled	SB 498	% of Gap filled
Highways	Preservation	\$377	\$463	\$463	100%	\$463	100%
	Modernization	0	43	23	53%	17	40%
	Expansion	0	358	191	53%	141	39%
Local Roads	Priority Network	0	30	16	53%	11.6	39%
	Economic Development	0	20	10.6	53%	7.8	39%
	KLINK Resurfacing	6	7	6.5	50%	6.4	40%
	Geometric Improvement	0	10	5.5	55%	3.9	39%
	CCL Payments	3	5	4.1	55%	3.8	40%
Modes	Transit	6	18	12.3	53%	10.7	39%
	Aviation	3	6.6	4.9	53%	4.4	39%
	Rail	0	8.3	4.4	53%	3.2	39%
<b>TOTAL Program</b>		<b>\$395</b>	<b>\$969</b>	<b>\$741</b>	<b>60%</b>	<b>\$673</b>	<b>48%</b>
Direct to Local - SCCHF (SB 515 includes local sales tax)		150	183	189	116%	197	142%

Senate Transportation

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Attachment 2