

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE.

The meeting was called to order by Chairperson Senator Les Donovan at 8:30 a.m. on March 26, 2002 in Room 245-N of the Capitol.

All members were present except:

Committee staff present: Hank Avila, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Marian F. Holeman, Committee Secretary

Conferees appearing before the committee: Representative Jim Garner
Representative Larry Campbell
Don Seifert, City of Olathe
Gary Anderson, Atty., Gilmore & Bell
Bud Burke, Olathe Chamber of Commerce
Mark Tomb, League of KS Municipalities

Others attending: See attached list

HB 2799: Re commercial driver's license

Commander Michael Brown of the Coffeyville Police Department who testified at the House hearing, was unable to be present today. Representative Jim Garner presented testimony in support of this bill which would exempt an armored vehicle, used in emergency police situations, from the requirement for drivers to have a commercial driver's license. Firefighters are already exempt (attachment 1). Representative Garner also provided a copy of the Federal Highway Administration Department of Transportation ruling that allows state option for this exemption (attachment 2). Members had no additional questions on the bill. Senator Harrington moved to recommend HB 2799 favorable for passage. Senator Jackson seconded the motion. Motion carried.

HB 2949: Re transportation development districts

Don Seifert, City of Olathe, explained the bill would authorize a city or county to create a transportation development district to finance transportation improvements in support of private development or redevelopment projects. This would be a new financing tool for local governments which would combine special assessments and local sales tax. His written testimony includes information on how this system has been used successfully in Missouri (attachment 3). He stressed the important difference with this approach is that the general taxpayer is not at risk. Responsibility is limited to the special district. The sales tax component is also limited to businesses within the boundary of the district and will expire when the bonds mature.

Bud Burke, Olathe Chamber of Commerce urged passage of this legislation. Currently, in Olathe, citizens list traffic congestion as their number one concern. Proposed development will only add to the problems. This bill would provide a means whereby development can pay for itself. It would also provide a much needed economic development tool, as it would enable Kansas communities to compete fairly with Missouri (attachment 4).

Mark Tomb, League of Kansas Municipalities, expanded on the rationale of the public-private partnerships to allow for financing of projects within a development district. This bill is a mechanism to isolate cost of projects to the area receiving the most benefit (attachment 5).

Gary Anderson, Attorney with Gilmore & Bell, answered questions regarding some of the technical legal aspects relating to determining authorization and limits of the special districts and the sales taxing entities. The discretion to create the district rests with the local governing body. Members were asked to look at New Sec. 3©) in the bill. Representative Campbell sponsored the bill and appeared before the Committee for questions. Determination to follow

CONTINUATION SHEET

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE at 8:30 a.m. on March 26, 2002 in Room 245-N of the Capitol.

this route with respect to the special assessment process would require 51% of the owners of the property. With respect to the sales tax, if there should be a protest petition, it would be take a majority of the landowners in the development district, by acreage, to decide. Representative Campbell advised they have formally disputed the Fiscal Note on this bill. They have reason to believe it just does not relate to the reality of transportation only issues.

The Committee Chairman and other interested parties will meet with Department of Revenue Secretary, Stephen Richards, to further explore the fiscal impact of **HB 2949**. There seems to be some other areas where additional clarification is needed and that will be brought back to the Committee.

Approval of minutes

Senator Salmans moved to approve minutes of the March 21, 2002 meeting. Senator Goodwin seconded the motion. Motion carried.

Meeting adjourned at 9:35 a.m.

The next meeting is scheduled for Wednesday, March 27, 2002