

Senate Transportation Committee

Minutes
2006



MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Tuesday, January 17, 2006
- TIME:** 1:30 p.m.
- PLACE:** Room 426
- MEMBERS PRESENT:** Chairman Brandt, Vice Chairman McGee, Senators Keough, Geddes, Little, McKenzie, Jorgenson, and Marley
- MEMBERS ABSENT:** Senator Langhorst
- GUESTS:** See the attached sign-in sheet
- CONVENED:** **Chairman Brandt** called the meeting to order at 1:30 p.m. He introduced Mickenzie Stuart, a high school student from Pocatello, Idaho, who has been assigned as the Page to the 2006 Senate Transportation Committee.
- RS 15346: Relates to Permit Requirements for Transporters of Hazardous Wastes:**
- Reymundo Rodriguez**, Idaho Port of Entry Officer for the Idaho Transportation Department (ITD), presented RS15346. This proposed legislation is to implement an internal audit recommendation to amend Idaho Code Section 49-2202, to reflect the actual fee amount being paid to vendors for issuing hazardous waste permits to the amount as determined by contract between the Department and the vendor. No fiscal impact.
- MOTION:** **Senator Marley** moved that **RS15346** be introduced to Print. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.
- RS 15360C1: Relates to Recreational Trespass and Limitation of Landholder Liability:**
- Bob Martin**, ITD Aeronautics Division Administrator, explained RS15360C1. This legislation will amend Section 36-1604, Idaho Code, to provide liability relief for private property owners who have airstrips on their property, and who allow the public to use the airstrip for recreational purposes. This legislation would expand existing Idaho law that provides such liability relief for other private property owners who allow the public access to their property for hunting and fishing. Any cost of implementation will be covered in the existing budget.
- Senator Jorgenson** asked for clarification about a landowner's exemptions, aviation insurance and liability. **Senator Little** explained he has concerns about RS15360C1 and he will expect a more detailed discussion when this legislation is returned after printing.

MOTION: **Senator Little** moved that **RS15360C1** be introduced to Print. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

RS 15369: **Relates to Written Reports of Motor Vehicle Accidents:**

Susan Mulkey, a representative from the Office of Highway Safety, presented RS15369. This legislation amends Sections 49-117 and 49-1306, Idaho Code, to exempt the personal information on the Idaho Vehicle Collision Report from being public information. Currently, the Office of Traffic and Highway Safety (OTHS) must allow persons to view collision reports to retrieve the personal contact information of those involved in collisions for the purpose of soliciting business.

There will be minimal fiscal impact which will be absorbed into the OTHS budget. There will be no fiscal impact to the Idaho Transportation Department.

MOTION: **Senator Little** moved that **RS15369** be introduced to Print. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

RS 15610: **Relates to Motor Fuels:**

Russ Hendricks, a representative of the Idaho Farm Bureau Federation, explained RS15610. This legislation will create a new section of Idaho Code to implement a renewable fuel standard once Idaho is producing 30 million gallons of ethanol. The standard specified is that gasoline sold for motor vehicle use in Idaho shall contain at least 10 percent ethanol. Using ethanol-blended fuel in Idaho will reduce dependence on imported fuels, and will also reduce emissions from motor vehicles and the adverse impacts of air pollution.

There is no fiscal impact to the general fund. By adoption of the companion piece of legislation, which repeals the current state fuel tax deduction for ethanol-blended fuels upon implementation of the renewable fuel standard, there will be an increase in state fuel tax revenues of \$750,000 per year.

Without adoption of the companion piece of legislation, this bill would result in a \$15.25 million reduction in state fuel taxes when the renewable fuel standard is implemented.

A brief discussion was held about the impact of this proposed legislation to Idaho. **Senator Little** explained he has contacted the Environmental Protection Agency (EPA), as he has concerns relating to liability, the size of underground storage tanks, etc. He requested extra time be scheduled when this legislation is returned from printing to the committee. **Senator Geddes** believes the new Federal Energy Act will answer the committee members' concerns. The committee may request a meeting with EPA staff. **Chairman Brandt** agreed additional time will be scheduled, as needed, for this legislation.

MOTION: **Senator McKenzie** moved that **RS153610** be introduced to Print. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

ADJOURNMENT: There being no further business, the meeting adjourned at 1:50 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Sign-In Sheet

TRANSPORTATION COMMITTEE

Date Tuesday, January 17, 2006

(1)

Name, Address, & Phone PLEASE PRINT	Occupation	Representing Company/Organization	Legislation Interested In	Wish to Testify	Pro	Con
Russ Handrichs	Log Aide	Farm Bureau	RS 15610	Yes	X	
Freddie Pierson	SELF					
Raymond Rodriguez	ITD	Idaho Transit	RS 15346	Yes		
Susan Mulkey	ITD	ITD	RS 15369	Yes		
Carol Main	ITD	ITD	RS 15369	NO		
Debra Dango	Lawyer	State Farm	RS 15369	NO		
Jim Tipton	Legis	State Farm	RS 15369	NO		
Sharon W. Kiefer	Liaison	IDFG		NO		
Steve Johnson	Atty	Chemura		NO		
Angela Richards	Atty	PC	RS 15309	NO		
Luke Evans	DFM	DFM		NO		
Bob Martin	ITD	ITD	RS 15960	Yes	X	
DAVE CARLSON	Public Aff	NAA 104140	RS 15610	NO		
Bob Wells	Libby's	AAA	RS 15610	NO		
Julia Pinal	Liaison	ITD	411	NO		

MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Thursday, January 19, 2006
- TIME:** 1:30 p.m.
- PLACE:** Room 426
- MEMBERS PRESENT:** Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, Marley, and Langhorst
- GUESTS:** The sign-in sheets, rules, charts or graphs will be retained with the minutes in the committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- CONVENED:** **Chairman Brandt** called the meeting to order at 1:30 p.m.
- APPOINTMENT: GUBERNATORIAL REAPPOINTMENT:**
- Gary Blick**, of Castleford, Idaho, was reappointed to the Idaho Transportation Board by **Governor Dirk Kempthorne**, to serve a term commencing January 31, 2006, and expiring January 31, 2012. Mr. Blick has represented District 4, consisting of the counties of Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, and Twin Falls, since his original appointment to the board in March 1999. Mr. Blick is a farmer, and he is also president of Blick Trucking and Farms. His political affiliation is Republican.
- STATUS UPDATE:** **Related to Highway Districts in Idaho:**
- Stuart Davis**, a representative of the Idaho Association of Highway Districts (IAHD), introduced several members of the IAHD. He outlined the current status of the state's highway districts. The Association monitors 12,000 miles of highways within 64 highway districts, and with a budget of about \$65 million. He expressed his appreciation for the help and support given to the Idaho Association of Highway Districts by the Senate Transportation Committee members.
- Mr. Davis explained the two big areas of need are funding and enforcement. At some point, he said, IAHD needs to take a serious look at the recommendations that were presented to the Idaho Transportation Board last week, transportation investments, and the funding sources. No additional funding has been received since 1999, neither from registration of automobiles nor gas taxes, and this creates a big problem. Our source of revenue in 2005, for the counties and highway districts together was about \$160 million. Funds come from property taxes, increased registration fees, and impact fees. The IAHD plans to request this legislative body to review fees this year.
- Senator Langhorst** asked about drainage districts and jurisdictional

questions, such as the one that occurred last year in Ada County. Does this problem occur in other highway districts? Was that a state-fix or a local level problem? What is the status now? **Mr. Davis** explained it is a highway district problem, and they coexist with the irrigation districts. A study committee has been formed, and probably IAHD will be requesting this current Legislature for recommendations.

RULES REVIEW: **Vice Chairman McGee**, in accordance with the Idaho Administrative Procedure Act (IDAPA), Chapter 52, 67-5201, Idaho Code, conducted the Rules Review of the Idaho Transportation Department's rules.

RULES REVIEW: **Idaho Department of Transportation:**

DOCKET # **Rules governing provisions applicable to fees for services:**
39-0241-0401:

Hal Putnam, Driver Records and Program Supervisor with the Division of Motor Vehicles, Idaho Transportation Department (ITD), explained Pending Rule Docket 39-0241-0401. This rule allows bulk sale of the driver record database (more than 925,000 records). Concerns related to privacy and re-dissemination of personal information made continuation of the bulk sale of driver records questionable. The rule change removes the provision for bulk sale of driver records. Individual record access to driver information would continue to be available to authorized requestors, as provided in Section 49-203, Idaho Code.

MOTION: **Senator Keough** moved to accept Rule 39-0241-0401. **Senator Marley** seconded the motion. The motion carried by **Voice Vote**.

DOCKET # **Rules governing permits for manufactured homes, modular**
39-0317-0401: **buildings, and office trailers:**

Reymundo Rodriguez, the Port of Entry Program Manager for the Idaho Transportation Department, reviewed Rule 39.0317.0401 regarding overlegal permits for manufactured homes, modular buildings, and office trailers. This rule was a Temporary Rule in 2005, and is now being presented today as a Pending Rule.

This proposed rule change eliminates the restriction on eaves which previously was a maximum of 16 inches. It now allows eaves to be longer than 16 inches, as long as the overall width of the house does not exceed 18 feet.

This change allows industry the ability to manufacture housing that will comply with the requirement for larger eaves, when needed.

MOTION: **Senator Keough** moved to accept Rule 39-0317-0401. **Senator Jorgenson** seconded the motion. The motion carried by **Voice Vote**.

DOCKET # **Rules governing marking of obstructions to air flight:**
39-0402-0501:

Mark Lessor, Aviation Technician, Division of Aeronautics with the Idaho Transportation Department (ITD), outlined this rulemaking, Docket 39-0402-0501. This rule was initiated as a result of House Bill 40 (H40) which

passed during the 2005 legislative session. The rule before you today is a Pending rule.

ITD has formatted changes in Sections 001 through 006, as required by the Office of Administrative Rules. The substantive changes begin in subsection 100.01 which increases the height at which proposed structures are considered a hazard to air navigation, and require marking and/or lighting from 150 feet to 200 feet. This change provides consistency with Federal Aviation Administration (FAA) regulations and compliance with H40.

Mr. Lessor continued, Subsection 100.02 also addresses the height at which power lines, cables, wires and communication lines which span rivers, canyons, bodies of water, and terrain undulations that are considered a hazard. This height has also been increased from 150 feet to 200 feet. This subsection also reduces the size of the marker-balls identifying the wires, cables and lines from 54 inches to 36 inches. Again, both of these changes bring consistency with FAA regulations, as well as reducing the cost of compliance while maintaining adequate safety.

He explained, Subsection 100.03 simply provides clarifying language regarding the marking of individual supporting piers.

Also, Subsection 100.04(a) increases the height at which notification of the Division of Aeronautics is required for proposed construction from 150 feet to 200 feet.

The explanatory language concerning the definition of an airport has been moved from Section 100.04(d) to 100.04(b). No public comments were received about this rulemaking. With legislative approval, this rule will become final and effective at the end of the 2006 legislative session.

MOTION: **Senator Marley** moved to accept Rule 39-0317-0401. **Senator McKenzie** seconded the motion. The motion carried by **Voice Vote**.

DOCKETS #
39-0311-0501
and
39-0345-0501: A brief discussion was held by committee members regarding the request from the Idaho Transportation Department to cancel the hearing for Docket 39-0311-0501, rules governing overlegal permittee responsibility and travel restrictions, and Docket 39-0345-0501, rules governing the sale of no longer useful or usable real property. After discussion, it was agreed that both dockets would not be heard at this time, and both rules were rescheduled for a formal hearing to reject them on Tuesday, January 31, 2006.

ADJOURNED: There being no further business, the committee adjourned at 2:00 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

MINUTES

SENATE and HOUSE TRANSPORTATION COMMITTEES Joint Meeting

- DATE:** Thursday, January 26, 2006
- TIME:** 1:30 p.m.
- PLACE:** Gold Room - Statehouse 4th Floor
- MEMBERS PRESENT:** **Senate:** Chairman Brandt, Vice Chairman McGee, Senators Keough, Little, McKenzie, Jorgenson, Marley, and Langhorst
- House:** Chairman Wood, Vice Chairman Roberts, Representatives McKague, Smith, Bedke, Cannon, Skippen, Moyle, Hart, Nonini, Shepherd, and Ringo.
- MEMBERS ABSENT/ EXCUSED:** President Pro Tem Geddes and Representative Wills
- GUESTS:** The sign-in sheets will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- CONVENED:** **Chairman Brandt** and **Chairman Wood** convened the meeting at 1:32 p.m.
- INTRODUCTION** Idaho Transportation Board **Chairman Charles (Chuck) Winder** explained that the purpose of this meeting is to give the board's annual report regarding the Idaho Transportation Department (ITD). Also, a status update about the Grant Anticipation Revenue Vehicle (GARVEE) bonds. The seven-member Idaho Transportation Board was introduced.
- **Vice Chairman John X. Combo**, District 6, Idaho Falls
 - **John McHugh**, District 1, Post Falls
 - **Bruce Sweeney**, District 2, Lewiston
 - **Monte C. McClure**, District 3, Meridian
 - **Gary Blick**, District 4, Castleford
 - **Neil Miller**, District 5, Blackfoot
- Idaho Transportation Department **Director David Ekern** introduced the Department's executive team members.
- **Charles Rountree**, Deputy Director and Administrator of the Transportation Division of Planning and Programming
 - **Susan Simmons**, Division Administration Administrator
 - **Steven Hutchinson**, Highway Division Chief Engineer
 - **Julie Pipal**, Budget, Policy and Intergovernmental Relations Manager
 - **Larry Falkner**, Division of Public Transportation Administrator

- **Bob Martin**, Division of Aeronautics Administrator, and
- **Pamela Lowe**, Division of Motor Vehicles Administrator

Director Ekern reported that this year is the 50th anniversary of the interstate system. It has been 50 years since this system was funded, initiated, and built in this country. The interstate system is widely recognized as having been the stimulator for a new level of roads in the country, and a connection to our international ports. It is a significant influence in the way our military has changed the way it manages the defense of our country. It gave citizens freedom that they have never experienced, and has changed the entire economic growth pattern.

He stated that Boise is the seventh fastest growing metropolitan area in the U.S., and that Idaho's population is predicted to grow 56 percent (56%) within the next 30 years. ITD believes the population is growing at a faster rate.

Traffic volumes have increased by about 104 percent (104%) in travel, and vehicle registrations continue to increase.

He also reported that this year, Congress enacted a 900-page transportation bill. In that bill, Congress focused on a new program direction. They instituted procedures and policies for states' to achieve environmental streamlining. They put into place a program, previously an experimental program under the Transportation Equity Act for the 21st Century (T-21), which allows states to find ways to expedite projects and move projects more quickly through the system.

Congress also established two new commissions to deal with what direction the country should take in dealing with the surface transportation system, beyond the interstate system. As we grow in the international market, the surface transportation system needs to be modernized.

He also explained that reauthorization has increased public transportation funding to Idaho by about 122 to 124 percent (122% to 124%). Safety rules also give Idaho greater flexibility in opening multi-use or to use flexible funding between highway and public transportation funding.

Director Ekern reviewed and explained numerous charts and graphs relating to the Department's activities and FY07 budget. (See attachments #1, 2, and 3).

He reported the Forum on Transportation Investment (FTI) was initiated in September 2004 by the Idaho Transportation Board. The Forum was made up of 57 individuals representing public agencies, transportation service providers, public transportation providers, stakeholders, elected officials, and citizens with a keen interest in transportation. The Forum was chaired by former state **Representative Jim Kempton** and Vice Chair **Mayor Tom Dale** from Nampa. (See attachment # 4).

He also explained that the Grant Anticipation Revenue Vehicle (GARVEE) bonding program allows critical projects to be constructed sooner, by borrowing against future anticipated federal revenue.

Reviewed charts included the vision for GARVEE, the 2,076 mile network of multi-lane, high performance roadways, and also the FY06-FY07 GARVEE bonding proposal and project schedule. (See attachment # 5)

Several charts regarding the "Connecting Idaho - Year One" were reviewed. The GARVEE program will connect the major corridors serving all 44 counties in Idaho. The report addresses safety for Idaho motorists and expands the opportunities for commerce nationally and internationally. (See attachment #5).

ADJOURNED: **Chairman Brandt** and **Chairman Wood** thanked the Idaho Transportation Board and others for the report presented today. There being no further business, the meeting adjourned at 3:09 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment #1: A Forum on Transportation Investment.

Attachment #2: Supplemental Handout.

Attachment #3: Connecting Idaho - Year One report.

Attachment #4: Highway Capital Investment Program Supplement 06-01
Reprioritizing and Funding of Contingency Projects.

Attachment #5: Idaho Transportation Department 2006 Presentation.

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, January 31, 2006

TIME: 1:30 p.m.

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, and Langhorst

MEMBERS ABSENT/ EXCUSED: Senator Marley

GUESTS: A sign-in sheet and a copy of the rule dockets will be retained with the minutes in the committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

CONVENED: **Chairman Brandt** convened the meeting at 1:32 p.m.

MINUTES: **Senator Keough** moved that the minutes of Tuesday, January 17, 2006, be accepted as written. **Senator Jorgenson** seconded the motion. The motion carried by **Voice Vote**.

MINUTES: **Senator McKenzie** moved to accept the minutes of Thursday, January 19, 2006, after the addition of the words "accept or" to the minutes.

[Reference Dockets 39-0311-0501 and 39-0345-0501. Therefore, the minutes of January 19, 2006, will read: "After discussion, it was agreed that both dockets would not be heard at this time, and both rules were rescheduled for a formal hearing to "accept or reject" them on Tuesday, January 31, 2006."]

Senator Keough seconded the motion. The motion carried by **Voice Vote**.

VOTING ON GUBERNATORIAL APPOINTMENT: **Gary Blick**, of Castleford, Idaho, has been reappointed by **Governor Dirk Kempthorne** to the Idaho Transportation Board, to serve a term commencing January 31, 2006, and expiring January 31, 2012. Mr. Blick has represented District 4, consisting of the counties of Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, and Twin Falls, since his appointment to the board in March 1999. He is a farmer, and also president of Blick Trucking and Farms in Castleford. His political affiliation is Republican.

MOTION: **Senator Geddes** moved to support the reappointment of **Gary Blick** to the Idaho Transportation Board to serve a term commencing January 31, 2006, and expiring January 31, 2012. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**. **Senator Gannon**, District 23, will sponsor Mr. Blick on the Senate Floor.

RULES REVIEW: **Vice Chairman McGee**, in accordance with the Idaho Administrative Procedure Act (IDAPA), Chapter 52, 67-5201, Idaho Code, conducted the Rules Review of the Idaho Transportation Department's rules.

Idaho Transportation Department (ITD):

DOCKETS #
39-0311-0501
and
39-0345-0501: **Julie Pipal**, Budget, Policy and Intergovernmental Relations Manager, Idaho Transportation Department, presented Docket 39-0311-0501, relating to rules governing overlegal permittee responsibility and travel restrictions, and Docket 39-0345-0501, rules governing the sale of no longer useful or usable real property. She explained that ITD is requesting that both rule dockets be rejected.

Dennis Stevenson, Administrative Rules Coordinator for the Department of Administration, explained that the House Transportation and Defense Committee had reviewed both of these Pending Rules. The House committee had voted to reject both rules. The House will request a Resolution to reject both dockets be prepared.

MOTION: **Senator Brandt** moved to reject Rule 39-0311-0501 as requested by the Idaho Transportation Department. **Senator Jorgenson** seconded the motion. The motion carried by **Voice Vote**.

MOTION: **Senator Brandt** moved to reject Rule 39-0345-0501 as requested by the Idaho Transportation Department. **Senator McKenzie** seconded the motion. The motion carried by **Voice Vote**.

DOCKET #
11-1301-0601:

Idaho State Police (ISP):

Captain Lamont Johnston, from the Idaho State Police (ISP), explained Rule Docket 11-1301-0601, the motor carrier rules. This is a Temporary Rule. The Federal Motor Carrier Safety Agency (FMCSA) issued a final rule on August 25, 2005 revising Code of Federal Regulations (CFR) CFR 395 "Hours of Service for Drivers." The revised rule became effective October 1, 2005. The Idaho State Police receives federal grant MCSAP funds that require ISP to enforce this rule. Failure to enforce this rule will result in the loss of those funds.

The FMCSAP is the program identified to distribute grant funds to the states. Idaho State Police receives approximately \$1.2 million annually from the FMCSAP, and they are referred to as MCASP funds. To receive these funds, ISP must demonstrate they are addressing safety issues of commercial vehicles, and one of the ways is by enforcing CFR 395 "Hours

of Service for Drivers.”

The rule change updates the incorporated reference of 49 CFR 395 to the August 25, 2005, version. There is no fee associated with this rule change, and no negative fiscal impact attributable to this rule change.

MOTION: **Senator Langhorst** moved to accept Rule 11-1301-0601. **Senator McKenzie** seconded the motion. The motion carried by **Voice Vote**.

DOCKET #
35-0105-0501: **Idaho Tax Commission:**

Randy Nilson, Tax Policy Specialist, and **Theodore V. Spangler**, Deputy Attorney General, from the Idaho State Tax Commission, presented Docket 35-0105-0501, a Pending Rule affecting ten areas of change.

Rule 010 Definitions - This section is being amended to add a definition for an Indian-owned retail outlet. This allows Idaho-licensed fuel distributors to identify which retailers qualify as Indian-owned retail outlets in order to make nontaxable fuel sales to them. It also helps consumers identify which retailers do not charge the Idaho motor fuels tax because they are Indian-owned retail outlets.

Rule 130 Distributor's Fuel Tax Reports - Rule 130 is being amended to add “delivered to an Indian-owned retail outlet tax not collected” to the list of disbursements in Paragraph 130.01.c, and inform Idaho licensed fuel distributors that the deduction in Paragraph 130.01.j., is “limited to 10 percent (10%) of the total volume.”

Rule 140 Deductions - Rule 140 is being amended to clarify that only taxable and nontaxable fuel sales can be included in the calculation of fuels tax bad debt when applying partial payments on a first-in/first-out or prorated basis. Inform Idaho-licensed fuel distributors of the statute of limitations for fuels tax bad debt claims.

Rule 150 Documentation Required - Rule 150 is being amended to require licensed fuel distributors who use credit card receipts as their sales invoices to comply with the invoice documentation requirements in this rule.

Rule 170 Additional Information - Rule 170 is being amended by removing “federal government” because they cannot use dyed low-sulfur diesel in their motor vehicles on a highway and update who can use low-sulfur dyed diesel fuel in their motor vehicles.

Rule 180 Refunds to Licensed Fuel Distributors - This amends Rule 180 to remove the requirement for a statement in Subsection 180.02 that is not required for a licensed fuel distributor to receive a refund.

Rule 270 Refund Claims Documentation - Rule 270 is being amended to

add a new paragraph that states no Idaho motor fuels tax is paid when fuel is purchased from an Indian-owned retail outlet. Also, adds the word "Idaho" in front of "tax-paid fuel."

Rule 292 Calculation of Refunds for Nontaxable Uses of Motor Fuels in Motor Vehicles - Rule 292 is being amended to add language that states no Idaho motor fuels tax is paid when fuel is purchased from an Indian-owned retail outlet and to add language for a standard power take-off (PTO) or auxiliary engine allowance for concrete pumping trucks.

Rule 400 International Fuel Tax Agreement (IFTA) Licensing and Special Fuels Permitting Requirements for Motor Vehicles Over Twenty-six Thousand Pounds Maximum Gross Weight - Rule 400 is being amended to correct a reference to an Idaho Code section that was renumbered in a previous year.

Rule 510 Application and Reporting of the Petroleum Transfer Fee - Rule 510 is being amended to replace the word "biodiesel" with the phrase "biodiesel blended fuels."

MOTION: **Senator Geddes** moved to accept Rule 35-0105-0501. **Senator Jorgenson** seconded the motion. The motion carried by **Voice Vote**.

S 1264: **Relating to Permit Requirements for Transporters of Hazardous Wastes:**

Reymundo Rodrigues, Port of Entry Program Manager for the Idaho Transportation Department (ITD), presented the proposed amendments to Section 49-2202, Idaho Code, as detailed in S 1264. These amendments are necessary to reflect the current fee amount being compensated to vendors for issuing Hazardous Waste Permits. These amendments will not change the current fees being compensated, but rather bring those fees into harmony with the fees listed in Section 49-432, Idaho Code, as compensation to vendors for the issuance of Idaho permits.

Currently, Section 49-2202, Idaho Code, erroneously lists that the vendor shall be compensated at the rate of \$2.00, instead of the current compensation rate of \$3.00 as detailed by Section 49-432, Idaho Code. The Department wishes to again harmonize those fees through the amendment listed in S 1264.

This legislation, S 1264, also makes minor technical corrections to Section 49-2202, Idaho Code, which details the identification form number for the hazardous waste manifest form, and clarifies the dollar fee for a hazardous waste single trip permit.

There is no fiscal impact to the Idaho Transportation Department.

MOTION: **Senator Keough** moved to send S 1264 to the Floor with a Do Pass recommendation. **Senator Little** seconded the motion. The motion

carried by a **Voice Vote**.

ADJOURNED: There being no further business, the meeting adjourned at 2:03 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, February 2, 2006

TIME: 1:30 p.m.

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, and Marley

MEMBERS ABSENT/ EXCUSED: Senator Langhorst

CONVENED: **Chairman Brandt** convened the meeting at 1:31 p.m., and made adjustments to the agenda in order to hear presentations of certain Route Slip (RS) prior to the Idaho Transportation Department's presentation relating to speed limits.

GUESTS: The sign-in sheet(s) and the attachments will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

RS 15359C1 Idaho Transportation Department (ITD) Driver License Program Supervisor **Lynn Rhodes** presented RS 15359C1 and explained this legislation equalizes fees and fee distribution for both public and commercial school driver education permits, making all drivers' training permits interchangeable between commercial schools and public schools. The legislation increases funding to the drivers' training account; provides funding for a digitized Supervised Instruction Permit; and provides clarification that the class D driver's training instruction permit must be in the instructor's immediate possession while the permittee is operating a vehicle during driving instruction. It changes the expiration date from one-year, or age 17 to age 18, for a driver training instruction permit.

It promotes public safety by helping teens and parents feel less rushed to obtain a driver's license before the teen is really ready. It reduces stress for the driver license office by teens and parents to obtain additional permits. It provides funding for a durable photo digitalized driver's training supervised instructor permit.

With the approval of the proposed legislation, a single type of driver education permit would be issued for a fee of \$26.50 with the following fee distribution:

\$5.00 to the county current expense fund;
\$3.00 to the state highway account; and
\$18.50 to the driver training account.

A total annual revenue increase of \$63,333 with a one-time cost of \$8,500.

MOTION:

Senator McGee moved that RS 15359C1 be introduced to Print. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

RS 15374C2

Idaho Transportation Department Driver Services Manager **Edward Pemble** presented RS 15374C2. He reported that about every three to four years the federal Motor Carrier Safety Administrator audits the state's Commercial Driver License (CDL) program for compliance with federal standards. During the auditor's complete review of records, procedures, and laws, he determines the state's level of compliance with federal requirements. In the most recent audit last spring, a number of findings were identified that related to Idaho statutes, and this bill contains many of the required corrections. Future legislation will also be needed, but the changes in this bill address the items' most easy to implement.

This legislation will bring Idaho into closer compliance with federal Commercial Driver's License (CDL) standards:

- Defines hazardous materials in compliance with United States Code and the Code of Federal Regulations.
- Allows bond forfeitures to be treated as convictions for commercial drivers who commit offenses in any type of motor vehicle.
- Makes it a serious traffic offense to operate a commercial vehicle without obtaining a CDL, having a CDL in one's possession, or having the proper CDL class or CDL endorsement.
- Authorizes the department to file records received from other jurisdictions and forward records of convictions, suspensions, or disqualifications to other jurisdictions.
- Authorizes the department to disqualify drivers from operating commercial vehicles for one year if they are convicted of using any type of motor vehicle in the commission of a felony.
- Establishes penalties for drivers and employers convicted of violating an out-of-service order.
- Directs courts to not mask, defer, or allow an individual to enter into a diversion program that would prevent a CDL holder from being convicted for any violation, regardless of the type of vehicle being driven or the state in which the violation occurred.

If this legislation is not implemented, Idaho's laws will be found to be in a substantial noncompliance with Federal Motor Carrier Safety Administration's regulations.

- All future increases in Federal Motor Carrier Safety Agency (FMCSA) grant funding to the Motor Carrier Safety Assistance Program will be eliminated.
- There will be a permanent 5 percent (5%) reduction of the Department's federal aid highway funding the first year (approximately \$6.6 million), and 10 percent (10%) in subsequent years (approximately \$13.2 million annually). The reduction

would affect the following categories:

- Interstate Maintenance,
- National Highway System, and
- Surface Transportation Program.

A review of several sections of this proposed legislation was held, including the section that directs the courts to not mask, defer, or allow an individual to enter into a diversion program that would prevent a CDL holder from being convicted for any violation, regardless of the type of vehicle being driven or the state in which the violation occurred. Other items reviewed were withheld judgement and states sharing court information about convictions.

Mr. Pemble explained the inclusion in the proposed bill is the result of the federal audit. The language presented in this proposed legislation is from the federal regulation. He reported that whatever information ITD gets from the courts, it is put on record. He is unaware of anything within Idaho's statutes that prohibit the courts from masking convictions.

MOTION: **Senator Little** moved that RS 15374C2 be introduced to Print. **Senator Marley** seconded the motion. The motion carried by **voice vote**.

RS 15780 **Senator Tim Corder**, District 22, presented RS 15780, relating to highway districts, and to amend Section 40-1304, Idaho Code, to clarify certain provisions of law regarding Highway District Commissioners. Specifically, the qualifications for holding and maintaining the office, and the process for declaring a vacancy in the event of disqualification.

There is no fiscal impact to the General Fund or local governments.

MOTION: **Senator Keough** moved to introduce RS 15780 to Print. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

ITD PRESENATA-TION Idaho Transportation Department (ITD) Assistant Traffic Engineer **Carl Main**, discussed how the Department sets speed limits within the state. Most motorists drive at a speed they consider reasonable, convenient, and safe for the existing condition. Speed limits supplement the driver's judgment in determining what is a reasonable speed. Speed limits that reflect the behavior of the majority of motorists are most successful. Speed limits set arbitrarily low encourage wholesale violations, lack public support, and generally fail to produce desirable changes in driving behavior. Speed limits should be set so that the majority of motorists observe it voluntarily, and enforcement can be directed to the minority.

Flow charts for procedures establishing speed limits by the ITD, and a speed distribution chart were reviewed. (See attachments #1 and 2).

Mr. Main explained traffic study analyses include accident history, traffic speed and volumes. Engineering investigation analyses include lane and shoulder width, and vertical and horizontal curves, condition of highways, type of adjacent development, parking conditions and the

number of entrances/exits off highways.

The biggest indicators of appropriate speed limits are 85 percent (85%) of the percentile, and accident history based on statewide average for similar roads.

Traffic engineers generally round the speed limit up to the next 5 mph increment above the speed at which 85 percent (85%) of the traffic is driving. This process is nationally recognized and sets a realistic limit which a majority of drivers will obey, can be driven safely, and can be reasonably enforced.

A guide to establishing speed zones in Idaho was prepared by the Idaho Transportation Department in cooperation with the Idaho T2 Center in July 1997, was distributed. (See attachment #3).

RS 15826

Senator Tim Corder, District 22, presented RS 15826, relating to the basic rule and maximum speed limits, and to amend Section 49-654, Idaho Code. He stated that his family owns a trucking company, and has a significant number of vehicles that are more than five axles, grossing more than 26,000 pounds.

The purpose of this amendment is to eliminate the dual speed limit requirement on freeways. Requiring vehicles, with five axles or more and weighing 26,000 pounds and above, to drive at lower speeds impede the flow of traffic and create unsafe driving conditions.

He distributed a package of information relating to tests previously conducted in Idaho. (See attachment #4).

The fiscal impact to the General Fund for the removal of existing signs would be \$9,000. The impact would be absorbed in the existing Idaho Transportation Department's budget and no new appropriation would be required. There is no impact to county budgets.

MOTION:

Senator McGee moved to introduce RS 15826 to Print. **Senator Little** seconded the motion. The motion carried by **Voice Vote**.

ADJOURNED:

There being no further business, the meeting adjourned at 2:24 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment #1 - Chart: Procedures for establishing speed limits, dtd 02/02/06
Attachment #2 - Chart: Speed distribution, number of vehicles
Attachment #3 - Speed limits and speed zones, dtd July 1997
Attachment #4 - Data from Senator Tim Corder, District 22, History in Idaho

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, February 7, 2006

TIME: 1:30 p.m.

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, Marley, and Langhorst

**MEMBERS ABSENT/
EXCUSED:** None

GUESTS: The sign-in sheet(s) will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

CONVENED: **Chairman Brandt** convened the meeting at 1:30 p.m. He explained that sponsors of S 1267 wanted to make a revision and had requested the committee to hold S 1267 in committee. Therefore, a new RS 15914 (a new bill with a modification, deleting lines 19 - 22) is to be sent to Print and then to the Senate Floor with a Do Pass Recommendation. That is, if the committee votes to send RS 15914 to Print.

**S 1267 and
RS 15914** **Russ Hendricks**, a representative of the Idaho Farm Bureau Federation, explained that the change in S 1267 by RS 15914 is simply removing from S 1267, paragraph 1-B, lines 19 -22. Those lines have been removed from the previous legislation, S 1267. The RS 15914 is the same as S 1267 without lines 19-22.

S 1267, lines 19-22, 71-241A (1) (b) read: " For the purposes of implementing the renewable fuel standard, all ethanol that is produced from Idaho grown feedstock at a facility located outside the state but within five (5) miles of the Idaho border, shall qualify as Idaho produced ethanol." These lines are not included in RS 15914.

He reported that this legislation, RS 15914, will create a new section of Idaho Code to implement a renewable fuel standard, once Idaho is producing 30 million gallons of ethanol. The standard specifies that gasoline sold for motor vehicle use in the state shall contain at least 10.0 percent (10%) ethanol. The production of ethanol in Idaho will significantly strengthen Idaho's economy, particularly in rural areas, providing jobs, a local tax base, and new markets for farm crops. Using ethanol-blended fuel in Idaho will reduce our dependence on imported fuels, and will also reduce emissions from motor vehicles and the adverse impacts of air pollution within the state.

There is no fiscal impact to the general fund of the state of Idaho.

Mr. Hendricks explained that by the adoption of the companion piece of legislation, which repeals the current state fuel tax deduction for ethanol-blended fuels upon implementation of the renewable fuel standard, there will be an increase in state fuel tax revenues of \$750,000 per year, which is currently being foregone under the deduction. There is a possibility that there will be some gasoline retailers who voluntarily use ethanol-blended fuels prior to the implementation of the renewable fuel standard. This would reduce the state fuel tax revenues by 2.5 cents per gallon of ethanol-blended fuel until the deduction is removed.

Without adoption of the companion piece of legislation, this bill would result in a \$15.25 million reduction in state fuel taxes when the renewable fuel standard is implemented.

A proposal for a Renewable Fuel Standard in Idaho has been adopted in Minnesota, Montana, and Hawaii, as well as Ontario, Manitoba, and Saskatchewan, Canada. Several other states will be considering this idea in the next legislative session. The current state gasoline quality standards would be enhanced so that the fuel would include 10 percent (10%) ethanol. This would provide a market for 60 million gallons of ethanol per year, at the current gasoline consumption levels.

The Renewable Fuel Standard would go into effect once facilities are built in Idaho that are capable of producing 30 million gallons of ethanol per year. This is a market-based approach since the standard will never be implemented if it is not economically feasible to produce ethanol in Idaho, at a competitive price.

There are three main reasons to support the Renewable Fuel Standard:

1. Rural Economic Development: 60 million gallons of ethanol production in Idaho would result in:
 - a. Another market for local farmers' crops. Farmer owned co-ops give farmers the opportunity to profit from ethanol production.
 - b. At least 88 full-time, good paying production jobs, and more than 1,115 support service jobs in rural areas of the state.
 - c. More than \$100 million in capital investment.
 - d. Additional local property taxes and state income taxes.
 - e. More than \$200 million in local economic activity.
2. Improved Air Quality: Having all motorists use a 10 percent (10%) ethanol-blend would provide reductions in emissions such as:

- a. Up to 30 percent (30%) reduction in carbon monoxide.
- b. Up to 50 percent (50%) reduction in PM2.5 (particle matter 2.5).
- c. A 25 percent (25%) reduction in benzene, a known carcinogen.
- d. A 21 percent (21%) reduction in total toxic emissions.

3. Reduced Reliance on Imported Fuel: Idaho imports every drop of fuel burned in Idaho. Although it is primarily produced in and imported from neighboring states, Idaho is totally dependant on resources outside its borders. By using Idaho's abundant agricultural resources to provide a portion of fuel, Idaho will be:

- a. Increasing its fuel supply. The single pipeline which provides all of southern Idaho with fuel has been at capacity for more than five years. Adding an additional 10 percent (10%) to constrained supplies will place downward pressure on prices.
- b. Keeping Idaho dollars in Idaho, so they can circulate here, provide jobs and increased economic activity.
- c. Providing a measure of protection against the possibility of a natural disaster disrupting our fuel supplies.

Mr. Hendricks stated, this proposal is a win-win-win. The farmers benefit through new markets for crops, the consumers will benefit through receiving superior fuel, the state benefits through significant clean air and rural economic development enhancements, without spending any tax dollars .

He provided a letter from the Idaho Rural Council reporting the council's board had voted to support the legislation. (See attachment #1).

Trent Clark, representing the Monsanto Company, Soda Springs, Idaho, testified and submitted a written report to support S 1267 and RS 15914. He reported, I am here to testify in support of SB 1267 and the most recent RS introduced.

He explained, to understand why this legislation is so critical, it is helpful to review the laws and rules governing fuel used in automobiles. Technically, anything that burns can be a fuel. I can squeeze oil from a lemon peeling and it will burn, but I can't put that in my car. Here is why:

Under the U.S. Clean Air Act (42 USC 7401 et seq.), Section 206, every motor to be used in a motor vehicle on or off-road in the United States must be tested by the U.S. Environmental Protection Agency (EPA) to determine if that motor meets emissions standards. Because, what comes out of a motor depends largely on what was put into it. Section 211 instructs the EPA to "register" all new fuels and fuel additives, granting the agency authority, not so much to regulate the chemical engineering of fuels, but to restrict what fuels can be put into the engines that they certify for

on-highway use. Off-highway fuel is also regulated, but with slightly less stringency.

He stated, engines change over time, and since it was possible so would fuel, motors could be certified to a fuel in 1977 that was not available in 1982, and so the expected emissions during that car's useful life could be radically different. To "fix" this, Section 211(f) of the Clean Air Act established a "baseline," making it illegal to manufacture for sale as a motor fuel any formula that isn't "substantially similar" to the fuel that was used to certify the motors for model year 1974 cars. EPA reserves the right to determine what "substantially similar" means.

Mr. Clark provided a six-page handout relating to gasoline fuel properties. (See attachment #2).

Bill Goodnight, president of the United Street Rods of Idaho (USRI), testified and submitted a written report to oppose S 1267 and RS 15914. He explained, the USRI represents the interests of more than 700 members, with more than 2,000 restored classic, old-timer and street rod automobiles. More than 4,200 vehicles are registered in Idaho as Classics, Old-timers, or street rods. The capital investment in these cars is conservatively more than \$100 million.

He continued, if E10 (ethanol-blended fuel) will accomplish everything that it advocates and the Statement of Purpose claims, this is the greatest thing to come along since post toasties or canned beer. Why wouldn't every red-blooded Idahoan buy it voluntarily? Why make it mandatory? The reasons we don't want to use it is that it will place a significant financial burden on all Idaho motorists, and it is harmful to our older engines.

Many sources, including the American Automobile Manufacturers Association and the Laws of Thermodynamics, say that one gallon of ethanol contains 66 percent (66%) of the energy of one gallon of regular unleaded gasoline. So when mixed with gasoline, a 10 percent (10%) ethanol mixture called E10 or gasohol contains 3.4 percent (3.4%) less energy than a gallon of regular unleaded gasoline. This means, you will use 3.4 percent (3.4%) more fuel to drive the same distance.

He explained, the Associated Press reported this morning that according to the state of Idaho, 600 million gallons of gasoline are sold annually in Idaho. Containing 3.4 percent (3.4%) less energy, E10 use will require Idaho motorists to purchase an additional 3.4 percent (3.4%) or 20.4 million more gallons of fuel. Using a current average pump price for regular unleaded gasoline in Idaho, provided this morning by the American Automobile Association (AAA) of \$2.28 per gallon, Idaho motorists will have to pay \$47 million per year more for fuel.

Mr. Goodnight also reported that based on economic forecasts by the state of California, the Northeast States for Coordinated Air

Use Management and others, including distributors who will testify today, the use of 10 percent (10%) ethanol-blended gasoline will increase pump prices by at least \$0.05 per gallon. This increased cost, a nickle for each of 620 million gallons per year, would cost Idaho motorists an additional \$31 million. So this mandate that Idaho use motor fuel watered down with alcohol will cost Idaho motorists an additional \$78 million per year, due to decreased fuel efficiency and increased pump costs. Ironically, this about equals the Governor's energy rebates of \$50 per person in Idaho.

Others will testify as to the impact of ethanol on older engines that were not designed, or manufactured, to burn ethanol. In summary, United Street Rods of Idaho opposes a public policy of forcing the driving public to purchase an agricultural product that will cost us more, and cause harm to older engines. (See attachment #3).

Paul Martin, an officer with the United Street Rods of Idaho (USRI), briefly testified to oppose S 1267 and RS 15914.

Bert Culwell, representing the Model A Ford Club and the Early V-8 Club, briefly testified to oppose S 1267 and RS 15914.

Rick Stott, vice president of Agri Beef, testified to oppose S 1267 and RS 15914 due to the mandate in the legislation. Agri Beef is a family-owned business, operating for 35 years in Idaho. the business consist of two feed lots, feeding approximately 50,000 animals, and feeding about \$6 million worth of Idaho grain.

Tony Stone, president of the Jackson Oil Company, testified to oppose S 1267 and RS 15914. He reported that Jackson Oil Company has approximately 58 stores that will be affected, and approximately 145 underground storage tanks. This is more than a \$200,000 investment to do stage-one recovery as required in the bill. That is significant, and other figures showing this could be more than \$5,000 per tank, this is more than a \$700,000 investment to the company.

Mr. Stone explained he is not opposed to ethanol. He is, however, against government mandates that affect free enterprise. He believes this legislation is one of those.

Charles (Charlie) Jones, president and majority owner of Stinker Stations, testified to support S1267 and RS 15914. He explained, we sell 10 percent (10%) ethanol-blended fuel in more than 40 stores in Idaho. We even sell E85 ethanol fuel. We blend ethanol with Sinclair gasoline, because it improves engine performance due to an increased octane. Our Stinker fuel is 88 octane for regular or unleaded, and 93 octane for premium. It is a cleaner burning fuel, and produces up to 30 percent (30%) less harmful emission than straight gasoline.

He stated that Sinclair allows him to blend ethanol with their gasoline. Most other oil companies prevent their retail operators from choosing to blend ethanol. It reduces dependence on imported oil. The reason the major oil companies oppose this mandate is that it will effectively cut gas sales by 10 percent (10%). They are in the gasoline business - not the ethanol business.

His company does splash-blend ethanol which is not a complex process. The company splash-blend in Boise, Heyburn, Lewiston, and Pocatello. He stated he is in favor of the legislation, but the exemption goes away when it becomes a mandate.

He does not produce ethanol, but does purchase it daily. He stated that he does believe ethanol is in our future. It will be a major part to our fuel supply, but it will come from outside Idaho as there will be no ethanol plants within Idaho.

Mike Webster, a rancher and president of the Idaho Cattle Association, briefly testified to oppose S 1267 and RS 15914. He reported the beef industry has a problem with the mandate in this legislation, and requested that ethanol not be mandated in Idaho. He distributed some information compiled by the Idaho Cattle Association on February 1, 2006. (See attachment #4).

Steve Thomas, a representative on behalf of the Chevron Corporation, and Chevron Fuel Manager **Mike Ingham**, testified to oppose S 1267 and RS 15914.

Mr. Thomas testified that Chevron does not oppose ethanol. But, Chevron does oppose government mandates. We believe that markets are better than government mandates, because markets allocate resources efficiently. Markets foster product improvement and innovation, and markets preserve consumer free choice.

Moving from philosophy to pragmatics, this bill is nonetheless unworkable for three main reasons:

- First, it destabilizes fuel supply in Idaho, forcing refiners to substitute a new boutique fuel called "BOB" for what is available today.
- Second, the bill poses fuel quality concerns.
- Third, the bill creates air quality problems, especially in the summer, and especially because the stage-one vapor recovery provision is an unfunded mandate.

Drilling down a bit on each of three main points:

Reliable fuel supply is good public policy: Motorists dislike gas lines at the pumps; motorists dislike price volatility. The bill's mandate is triggered by a 30 million gallon ethanol plant in Idaho, but Idaho will need at least 60 million gallons of ethanol. Where is

that extra 30 million gallons going to come from? At what price, and via what transportation system? How dependable is that new, second supply chain? If, for example, there is a drought in the Midwest or if there is a railcar shortage.

Gasoline: "BOB" (a key word) explained as "before oxygenate blended" fuel, is a boutique fuel, and making Idaho into a fuel island if this bill is passed. In times of shortage, finding alternate sources of supply will be more difficult than today.

Since 1967, Idaho Code has required that fuels sold to consumers in Idaho must meet the American Society for Testing and Materials (ASTM) standards found in Section 37-2506, Idaho Code. The BOB itself will not meet ASTM standards; only by blending 10 percent (10%) ethanol into the BOB will the blended product meet ASTM standards. But you cannot sell a BOB directly to consumers for cars consistent with Idaho law or consistent with automobile manufactures' manuals.

He reported that Idaho Code, Title 37, Food, Drugs, and Oil, Chapter 25. Oils, Section 37-2506. Quality Standards: "The standards of quality for motor gasoline, benzine, naphtha, grease, road oils, bituminous road products, fuel oil for heating purposes and diesel fuel shall be the latest specification adopted by the American Society for Testing and Materials or other specifications adopted as standard by an Idaho governmental agency for its use, for those products. Motor oils shall conform to the latest viscosity classifications of the Society of Automotive Engineers (SAE). Motor oils falling outside those viscosity classifications shall not carry the SAE designation."

He continued, if there were a supply disruption of ethanol coming in from the Midwest, the state of Idaho would have a whole lot of BOB fuel that it could not sell to consumers.

If stage-one vapor recovery did not get funded and implemented in the Treasure Valley, during the summer, those stations without stage-one could not sell BOB to your constituents. It would be illegal, and it would not meet automobile manufactures' specs.

Mr. Thomas discussed air quality. What about air quality? As Mike (Ingham) can tell you, ethanol seeps through non metal fittings on your car into the air. Ethanol also puts out more nox from a car's tail pipes, and it puts out more VOCs (volatile organic compounds) into the air if there is no stage-one in place. Stage-one captures 95 percent (95%) of the VOCs from a gas station; so those few Treasure Valley stations which this bill grandfathers, who could sell E10 during summer without stage-one, those stations will pollute 20 times as much as a stage-one vapor recover station.

What about funding for stage-one? It's not in this bill. Idaho Department of Environmental Quality (IDEQ) grant proposal is well intended, but uncertain to be granted. I'm told by the Idaho Transportation Department that the Congestion Mitigation Air Quality (CMAQ) funds are already committed for years 2006, 2007, and 2008. So, year 2009 is the first that the IDEQ might get funding, and, even then, they are using a smaller number of tanks and a lower dollar estimate of tank conversion costs than our information. The cost of tank conversion is not \$1,500 per tank, and it is more likely in the neighborhood of \$5,000 to \$6,800 per tank.

Mike Ingham, Chevron's Fuel Manager, briefly testified regarding the BOB issue, Idaho's distribution system, blended fuel, environmental impact, and Phase three and Phase 4 fuels. He is opposed to this legislation.

A lengthy review was held by the committee regarding RS 15914.

There were nine other people registered to testify to support RS 15914, and two persons registered to testify in opposition of this legislation. Due to a lack of time, the meeting had to adjourn and they did not get to testify.

A letter was received by **Chairman Brandt** from the Tesoro Refining and Marketing Company, dated February 2, 2006, to oppose S 1267. (See attachment #5).

MOTION:

Senator McGee moved that S 1267 be held in committee. **Senator Langhorst** seconded the motion. The motion carried by **Voice Vote**.

MOTION:

Senator McKenzie moved to introduce RS 15914 to Print and sent to the Floor with a Do Pass Recommendation. **Senator Geddes** seconded the motion.

Discussion: **Senator Langhorst** reported that during the past year he has studied this issue, and two things have changed his position on the bill. He has decided to support the legislation this year.

First of all, he stated, one of his major concerns last year had to do with air quality. He believes that, during the summer, Farm Bureau worked in good faith with the Department of Environmental Quality, and the concern of air quality, especially for the Treasure Valley, has been dealt with in the bill. But, probably, the most compelling thing is the question of energy security, and it mattered to all of us last year, but it means much more this year. He questioned, "what is the true cost of gasoline?"

Senator Langhorst also explained he had reviewed several studies reporting that if we charged consumers what gasoline really cost in the United States, we would be paying from \$5.28 to \$15.00 per

gallon. The question of a free market is all relative. If we were to charge consumers at the pump the true cost of gasoline, we would not need a mandate. The market would speak, people would make choices, and ethanol would be a cheaper alternative. It is time for us, and I agree with our President, to find alternatives.

Roll Call Vote: **PASSED - 6-3-0**

Ayes -- Brandt, McGee, Geddes, McKenzie, Marley, Langhorst.
Nays – Keough, Little, Jorgenson.

ADJOURNED:

There being no further business, the meeting adjourned at 3:02 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

- Attachment #1 - Letter from Idaho Rural Council
- Attachment #2 - Data presented by Trent L. Clark (6 pages)
- Attachment #3 - United Street Rods of Idaho (USRI) (6 pages)
- Attachment #4 - Mandated Ethanol Use - A Different Perspective (2 pages)
- Attachment #5 - Data to Senator Brandt from the TESORO Company (3 pages)

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, February 9, 2006

TIME: 1:30 p.m. Convened

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Keough, Geddes, Little, McKenzie, Jorgenson, Marley, and Langhorst

MEMBERS ABSENT/ EXCUSED: None

MINUTES: **Senator Jorgenson** moved to accept the committee's minutes for Tuesday, January 31, 2006. **President Pro Tempore Geddes** seconded the motion. The motion carried by **Voice Vote**.

GUESTS: A sign-in sheet will be retained with the minutes in the committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

RS 16011 **Senator Hal Bunderson**, District 14, presented RS 16011 and requested the committee to print the proposed legislation. This legislation authorizes the addition of a generic standard license plate to accompany the standard plate with the "Famous Potatoes" slogan. That plate came about in 1928. Adoption of a second standard plate will give Idaho motor vehicle owners a choice between two standard license plates. He stated his constituents would like to have a choice.

The fiscal impact cannot be determined because it is contingent upon potential actions of the Idaho Transportation Department in moving to a digitized plate production process. Evaluation of different digitized equipment manufacturers are not complete. Adoption of the digitized process will have certain increased costs as well as savings and improved service. There will be an increased cost of stocking an additional standard plate. Such additional stocking cost will be partially or fully offset by the reduction in the cost of stocking specialty plates. The cost directly associated with producing a new standard plate should not exceed \$10,000.

MOTION: **Senator Keough** moved to send RS 16011 to Print. **Senator Marley** seconded the motion. The motion carried by **Voice Vote**.

RS 15825 **Senator Michael Jorgenson**, District 3, explained that RS 15825 is a commonsense legislation, and relates to traffic-control signals; amending Section 49-802, Idaho Code, to provide a condition under which the driver of a motorcycle may proceed through a steady red

traffic-control signal after coming to a full and complete stop at the intersection, and to specify when such action is not a defense to a violation of the law. There is no fiscal impact.

MOTION: **Senator Marley** moved that RS 15825 be sent to Print. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

RS 15802 **Senator Bert Marley**, District 29, presented RS 15802, and explained this is another commonsense bill. He requested that George Millward explain the bill to the committee.

George J. Millward, Pocatello, who represented the United Transportation Union, explained this legislation relates to the operation of railroads to provide required signaling by locomotives for prescribed time and distance before and at crossings. This would bring Idaho Code in-line with federal regulations, as well as neighboring states. There is no fiscal impact.

MOTION: **Senator McGee** moved to send RS 15802 to Print. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

RS 15839 **Senator Marley** also presented RS 15839 and reported this legislation basically is about where a train is parked. He requested Mr. Millward to explain the legislation.

George J. Millward explained, this legislation relates to the operation of railroads to provide a minimum distance for trains. Standing near crossings, when two or more adjacent tracks cross any public street, road or highway, no part of a train's cars, engines or equipment shall stand less than 500 feet from the crossing. This legislation also provides for a penalty for each such violation. This is a safety bill.

This legislation amends Chapter 4, Title 62, Idaho Code, by the addition of a new Section 62-425. There is no fiscal impact.

MOTION: **Senator Keough** moved that RS 15839 be sent to Print. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

RS 15945 **Chairman Skip Brandt**, District 8, explained that RS 15945 relates to personal information contained in accident reports in possession of the Idaho Transportation Department to be exempt from disclosure. The original report held by the law enforcement agency will continue to be a public document. Currently, the Office of Traffic and Highway Safety (OTMS) must allow persons to view collision reports to retrieve the personal contact information of those involved in collisions for the purpose of soliciting business.

There will be no fiscal impact to the Idaho Transportation Department. Chairman Brandt explained this is the last week to send proposed legislation to be printed. The committee can choose to send RS 15945 to be printed, with the intent of modifying it (sending to the amendment order), or have a new route slip (RS) be prepared and have one of the privileged committees print it next week.

Idaho Transportation Department (ITD) Budget, Policy and

Intergovernmental Relations Manager **Julie Pipal** explained that ITD is not the author or official custodian of accident reports. She discussed Section 49-1306, Idaho Code, which reads:

49-1306. Written reports of accidents. - (1) Every law enforcement officer, who in the regular course of duty investigates a motor vehicle accident, either at the time of and at the scene of the accident, or thereafter by interviewing participants or witnesses, shall within twenty-four (24) hours after completing the investigation forward a written report of the accident to the department. The report forwarded to the department shall not contain any personal information identifying the drivers or occupants of any of the vehicles involved in the accident but must identify the custodian by title and telephone number on the unredacted original written report. Personal information means information that identifies as an individual, including name, social security number, driver identification number, address and telephone number.

(2) Written reports required to be forwarded by law enforcement officers and the information contained in them shall not be privileged or held confidential.

This legislation would allow ITD to stop collecting peoples' personal information on accident reports, but would still meet all federal requirements for producing accident information. The ITD could modify its computer system to not collect personal information from accident reports.

MOTION:

Senator Little moved to Hold RS 15945 in the committee. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

S 1266

Idaho Transportation Department Aeronautics Division Administrator **Bob Martin** presented S 1266. This legislation, relating to recreational trespass and limitation of landholder liability, will amend Section 36-1604, Idaho Code, to provide that the limitation of liability of a landowner who extends free public use of privately owned airstrips, and to define "airstrips." It also revises the definition of "land" to include airstrips and to revise the definition of "recreational purposes" to include the flying of aircraft.

Any cost of implementation will be covered in the existing budget.

After discussion, it was agreed, an amendment to S 1266 would be prepared for S 1266.

1. "Airstrips" means either improved or unimproved landing areas used by pilots to land, park, take off, unload, load and taxi aircraft. Landing areas which are or may be eligible to receive federal funding or assistance pursuant to the Airport and Airways Improvement Act of 1982 (as amended), or subsequent amendment thereto, are not airstrips within this section.

MOTION:

President Pro Tempore Geddes moved to send S 1266 to the amending order. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**. **Senator Little** will sponsor S 1266 as amended.

ADJOURNED: There being no further business, the meeting adjourned at 2:09 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Tuesday, February 14, 2006
- TIME:** 1:30 p.m.
- PLACE:** Room 426
- MEMBERS PRESENT:** Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, and Langhorst
- MEMBERS ABSENT/ EXCUSED:** Senator Marley
- GUESTS:** The sign-in sheet(s) and attachments will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- CONVENED:** **Chairman Brandt** convened the meeting at 1:32 p.m.
- S 1348** **Senator Tim Corder**, District 22, presented S 1348. This proposed legislation relates to highway districts, and amends Section 40-1304, Idaho Code, to provide for a determination and declaration of a vacancy in the office of a Highway District Commissioner. This legislation will also provide qualification criteria for the office of a Highway District Commissioner.
- The purpose of this legislation is to clarify certain provisions of law regarding Highway District Commissioners. Specifically, the qualifications for holding and maintaining the office, and the process for declaring a vacancy in the event of disqualification.
- There is no fiscal impact to the State General Fund or local governments.
- Stuart Davis**, a representative for the Idaho Association of Highway Districts, briefly testified to support S 1348. He also stated that this is a good bill and should pass.
- MOTION:** **Senator McGee** moved that S 1348 be sent to the Senate Floor with a Do Pass Recommendation. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.
- S 1349** **Senator Corder**, District 22, also presented S 1349. He distributed a letter requesting that S 1349 be held in the committee.
- Senator Corder explained his motivation for bringing S 1349, regarding speed limits on interstates, is to produce discussions relative to the safety of our interstate system. State, federal, and private industry agencies have conducted studies that are inconclusive and limited in

causal analysis.

Discussions should include the following:

1. Differential speed for cars and trucks.
2. Appropriate maximum speed limits for each class of road.
3. Triple trailer configurations.
4. Highways wear impact relative to speed and weight.
5. Tire size relationship to highway impact.
6. Deteriorating or unsafe highway segments identification.
7. Accident and fatality statistics specific to Idaho.
8. Impact of reduced enforcement by budget constraints.
9. Consideration of national trend towards increasing speed.

Therefore, Senator Corder requested that S 1349 be removed from the agenda to provide industry, agencies, and citizens the opportunity to comment with the intent that he will reintroduce this legislation next year, subject to the information received. (See attachment #1).

Senator Corder also presented data from a study relating to the transportation history in Idaho. (See attachment #2).

MOTION:

President Pro Tempore Geddes moved to hold S 1349 in the Senate Transportation Committee. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

Chairman Brandt explained that three people had signed up to testify. All three declined to testify. Chairman Brandt also noted that each committee member had a chart, from the Idaho Transportation Department, relating to interstate differential speeds. (See attachment #3).

S 1346

Driver License Supervisor **Lynn Rhodes**, from the Idaho Department of Transportation, presented S 1346, relating to all drivers' license instruction permits. This legislation equalizes fees and fee distribution for both public and commercial school driver education permits, making the driver's training permits interchangeable between commercial schools and public schools. It also increases funding to the driver's training account; provides funding for a digitized Supervised Instruction Permit; provides clarification that the class D driver's training instruction permit must be in the instructor's immediate possession while the permittee is operating a vehicle during driving instruction. It also changes the expiration date for a driver's training instruction permit to age 18.

With the approval of this proposed legislation, a single type of driver education permit would be issued for a fee of \$26.50, with the following fee distribution: \$5.00 to the county's current expense fund, \$3.00 to the state highway account, and \$18.50 to the driver training account. Fees are non-refundable.

Mike Arnell, a certified fraud examiner for a commercial driving school, testified to oppose S 1346. He is in favor of funding for a digitized instruction permit. He is also in favor of changing the expiration date for

a driver's training instruction permit to age 18. He also does not object to the requirement that the permit must be in the instructor's immediate possession while the permittee is operating a vehicle during driving instruction. He does oppose any fee increase.

Mike Ryals, a commercial driver training instructor and owner of Ryals Driver's Education in Eagle, Idaho, a commercial driving school, testified to oppose S 1346. He stated he is here today representing the parents of the clients he serves in the community.

Mr. Ryals distributed a 2-page document outlining figures he had obtained from the Department of Education's annual report for fiscal years 2001 to 2005; private permits; public school expenditures, and a breakdown of permits (actual purchase price), and current commercial purchase permit data. (See attachment #4)

After a lengthy review and discussion about numerous sections of this legislation, S 1346, the following action was taken:

MOTION:

Senator McKenzie made a motion to **Hold** S 1346 in the Senate Committee. **Senator Jorgenson** seconded the motion. The motion carried by **Voice Vote**.

Senator Keough voted "No" and explained that she believes the Idaho Transportation Department was trying to do something good with this bill. She understands the challenge faced by both sides. The system is different in some areas of the state, but she does believe this is a good idea, and it has merit. Perhaps the bill needs some additional work.

S 1347

Idaho Transportation Department Driver Services Manager **Edward Pemble** presented S 1347. This legislation will bring Idaho into closer compliance with federal Commercial Driver's License (CDL) standards. It defines hazardous materials in compliance with United States Code, and with the Code of Federal Regulations. It also allows bond forfeitures to be treated as convictions for commercial drivers who commit offenses in any type of motor vehicle. It makes it a serious traffic offense to operate a commercial vehicle without obtaining a CDL, having a CDL in one's possession, or having the proper CDL class or CDL endorsement.

Mr. Pemble explained this legislation authorizes the Idaho Transportation Department (ITD) to file records received from other jurisdictions and forward records of convictions, suspensions, or disqualifications to other jurisdictions. It authorizes the ITD to disqualify drivers from operating commercial vehicles for one-year if they are convicted of using any type of motor vehicle in the commission of a felony.

S 1347 establishes penalties for drivers and employers convicted of violating an out-of-service order, directs the courts to not mask, defer, or allow an individual to enter into a diversion program that would prevent a CDL holder from being convicted for any violation, regardless of the type of vehicle being driven or the state in which the violation occurred.

If this legislation is not implemented and Idaho's laws are found to be in substantial noncompliance with Federal Motor Carrier Safety Administration's regulations, all future increases in the Federal Motor Carrier Safety Assistance Program (FMCSA) grant funding to the FMCSA will be eliminated. There will be a permanent 5 percent (5%) reduction of the ITD's federal aid highway funding the first year (approximately \$6.6 million), and 10 percent (10%) in subsequent years (approximately \$13.2 million annually).

The reduction would affect the following categories: interstate maintenance, the national highway system, and the Surface Transportation Program.

A detailed review of this proposed legislation, page-by-page, relative Idaho Code sections, and the federal audit, was held. After this review, due to the lateness of the hour, **Chairman Brandt** decided to continue the hearing on S 1347, on Thursday, February 16, 2006. Also, H 464, relating to the Ports of Entry and checking stations in Idaho, will be rescheduled for February 16, 2006.

ADJOURNED: The meeting adjourned at 3:02 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment #1 - Letter - Senator Tim Corder, District 22.

Attachment #2 - Data - History in Idaho.

Attachment #3 - Chart - Interstate differential speeds.

Attachment #4 - Data - Department of Education's annual report relating to drivers' permits.

MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Thursday, February 16, 2006
- TIME:** 1:30 p.m.
- PLACE:** Room 426
- MEMBERS PRESENT:** Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Marley, and Langhorst
- MEMBERS ABSENT/EXCUSED:** Senator Jorgenson
- CONVENED:** **Chairman Brandt** convened the meeting at 1:35 p.m. He introduced the committee's new Page, Jessie McLeod, from Orofino, Idaho. Jessie has been assigned to provide legislative support to the committee for the next few weeks.
- GUESTS:** The sign-in(s) and attachments will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- MINUTES:** **Senator Keough** moved that the committee's minutes for Thursday, January 26, 2006, be accepted as written. **President Pro Tempore Geddes** seconded the motion. The motion carried by **Voice Vote**.
- S 1347** This legislation, S 1347, was previously presented on Tuesday, February 14, 2006, by Idaho Transportation Department (ITD) Driver Services Manager **Edward Pemble**. Today, he continued his presentation.
- Mr. Pemble expressed his appreciation to the committee for extending the hearing on S 1347. This bill is intended to resolve (not all) but a significant number of findings from a Federal Motor Carrier Safety Administration (FMCSA) audit of Idaho's Commercial Driver License (CDL) program. The audit was conducted last year. Once audit findings have been identified and unresolved, they could be the basis of finding a state to be in substantial noncompliance.
- He explained, when we left the committee on Tuesday, you may recall a question was raised about the code in the bill not matching Idaho Code. Of course, all legislation goes through Legislative Services. There is probably little chance that an improper format would slip by them. When the Route Slips (RSs) are prepared, current code is used for legislation.
- Looking at the section of code in question, Section 49-301, found on the bottom of page 4 and then again on page 5 of the bill, you will note that as a part of the underlined changes being made, the code is being

renumbered and reformatted. This is specifically needed to segregate the newly underlined text from other violations in Section 49-301. Violations under the newly numbered codes, Sections 49-301(6)(a)(b)(c)(d), will be noted on the driver's record. The remainder of Section 49-301 violations will continue to be excluded from the driver's record.

The text being lined out in Section 49-301 is replaced with the underlined text. If you read what is being lined out, it virtually means the same as what the new text is. The purpose for the reformatting and rephrasing is:

- First, to make the violation identical to what other states have in their code, so an electronic communication of the same violation from state-to-state requires no reinterpretation or translation, (so there is state-to-state uniformity, and uniformity with the federal language).
- Second, the separate numbering will make entry of the violation efficient and highly automated from a driver's record standpoint. Of all the Section 49-301 violations, the courts will electronically transmit the ones applicable to the driver's record [Section 49-301(6)(a)(b)(c)(d)]. No one will need to manually review Section 49-301 violations to determine which ones are recordable.

This legislation was not intended to make major law changes, but the legislation will resolve those FMCSA audit findings easiest to correct, and easiest to implement. It will not make Idaho fully compliant with all federal requirements, but will show that we are making progress in correcting a number of the audit findings. Hopefully, this addresses the remaining concerns with S 1347.

MOTION:

President Pro Tempore Geddes moved to send S 1347 to the Senate with a Do Pass Recommendation. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

H 462

Representative Leon Smith, District 24, presented H 462. He explained, this is a very simple bill that changes the age when a driver may qualify for insurance premium discounts, from age 65 years to 55 years. The legislation relates to casualty insurance contracts, and amends Section 41-2515, Idaho Code, to lower the eligibility age for certain automobile insurance policy discounts.

This is an eight-hour defensive driving course, and it must be certified by the Idaho Transportation Department (ITD). Once certified, you send the certificate to your insurance company, and the company can give you a reasonable discount on your premium for car insurance.

The changing of the age from 65 to age 55 is an incentive for people to take the course, review their driving skills, and improve their driving. Most states do have the age as 55 years.

Charles (Charlie) Siegel, retired, testified to support H 462. He testified,

this is a subject important to all of Idaho. He believes that those people between the ages of 55 to 65 are being left out in Idaho. He stated that he was going to attempt to explain how we can save money by reducing our taxes, insurance costs, fatalities, terrible emotional and physical hurts. He reported, I believe you are all aware of the Governor's highway safety meeting last October. Chuck Winder, chairman of the Idaho Transportation Board, reported there were 260 people killed, 14,734 injuries, and 28,000 collisions in 2004. The economic costs amounted to \$1.7 billion. (See attachment #1).

If all of the people involved had taken the driver safety refresher course, the fatalities and injuries would have most likely helped the insurance companies, taxpayers, and others.

Mr. Siegel mentioned the AARP briefing paper, page 3. (See attachment #2). It shows a 10 percent (10%) accident reduction for those taking a driver refresher course. You will note all licensed drivers in these states, underlined in red, received an insurance discount. Then note Idaho, underlined in black, is the only state where you are required to be age 65 or older to receive a discount. The program is approved in every state, and you do not have to belong to AARP to attend these refresher courses. Trucking companies have their drivers take the course in order to receive a discount on their insurance, as well as the courts through the Department of Motor Vehicles for those needing extra points.

We have people from all walks of life attend these refresher courses, and, from the feedback we receive, more than 80 percent (80%) believe they are better drivers for having taken the course.

The *Click it or Ticket* pamphlets, published by the Idaho Transportation Department, state that people injured in a traffic crash pay just 15 percent (15%) of each dollar of their medical costs, the costs fall on society and not on the individuals involved. These costs are paid primarily through your taxes and insurance premiums. I think most of you realize this is one way you can help reduce these costs, and make Idaho a much safer place for us to live.

I believe it is a win-win situation. I hope you will agree, and vote yes on this bill. I know my local insurance agent agrees. There is a large number of dedicated volunteers, like myself, who are striving to educate people to use these tools to be safer drivers. I know many of the irrigation employees, civic groups, veterans, organizations, and instructors in your districts that I have spoken to will appreciate your support.

The American Association of Retired People (AARP) Associate State Director **Joseph Gallegos**, testified to support H 462. He reported that the AARP Idaho is a non partisan, non profit membership organization with 168,000 members in Idaho. He stated, on behalf of AARP Idaho, I stand to request your yes vote on House Bill 462. Our request for your support is based on the following:

- It will provide for an economic incentive to older drivers to

complete driver safety training programs. In calendar year 2005, 2,536 drivers participated in AARP's Driver Safety Program throughout Idaho. This year, we will conduct 181 training sessions.

- Data made available by the National Safety Council, year-end report 2004, found that drivers age 55 and older had fewer accidents than other age groups. Many of these drivers had completed a driver safety program. We hope this trend will continue, and believe that participation in driver safety programs is a factor in safer driving practices.

Idaho Transportation Department Driver Records Program Supervisor **Hal Putnam** briefly explained it is the responsibility of the ITD to certify the driver training courses. Currently, there are approximately twenty different organizations that offer this program, in addition to AARP. The courses are offered in two different ways, in-class instructions and on-line instructions. The costs of the courses range from \$10 to \$50.

Betty Chatburn, submitted written testimony to support H 462. A summary of her testimony is that the AARP driver safety classes are lecture style with student participation. The classes are peer classes with younger people included, and by mixing ages in the group, knowledge can be gained which benefits all of us.

She wrote that laws, roads, speeds, and vehicles have changed. We need to be reeducated in all of these areas. One way to do this is by having those aged 55-plus years take a defensive driving course, and offered a possible insurance discount. Many insurance companies and agents refer people to AARP's Driver Safety Program, because of the educational value to their clients.

She wrote, we are trying to get more people in the 55 to 65-age groups involved in taking a driver safety/defensive course, whether it is AARP's or others. Passing this legislation would go a long way toward encouraging the 55-plus driver to take a class, and improve their driving habits.

MOTION:

Senator McKenzie moved to send H 462 to the Senate Floor with a Do Pass Recommendation. **Senator McGee** seconded the motion.

Discussion: **Senator Langhorst** discussed the idea that some states have implemented this legislation for all ages. He tends to believe the statistics that drivers over the age 55 are safer, and Idaho could benefit from having more people take this course.

The motion carried by **Voice Vote**. **Senator McKenzie** will sponsor H 462 on the Senate Floor.

S 1366

Idaho State **Senator Hal Bunderson**, District 14, presented S 1366. This legislation will amend Section 49-443, Chapter 4, Title 49, Idaho Code. The legislation authorizes the addition of a generic standard license plate to accompany the standard plate with the "Famous Potatoes" slogan. Adoption of the second standard plate is contingent on the

Idaho Transportation Department adopting a digitized license plate production process.

Adoption of a second standard plate will give Idaho motor vehicle owners a choice between two standard license plates. The Idaho potato industry is important to Idaho's economy. Idaho farmers sold (gross receipts) \$503 million of potatoes in 2004. Potatoes are Idaho's third largest agricultural commodity, following the sale of milk (\$1.358 million), and cattle and calves (\$1.059 million). Idaho's population has changed dramatically since the "Famous Potatoes" standard license plate was adopted in 1960, and has been included since. Other than as a consumer, most of Idaho's citizens have no affiliation with the potato segment of the agriculture industry.

Many have asked for a choice in their standard license plate. To be effective., the Idaho Transportation Department will need to approve replacement of the present heavy-machinery-metal-stamping process at Correctional Industries, with the new digitized, technologically efficient, high-speed, high-resolution photography, license plate on demand. This will eliminate most license plate inventories, except for the standard plates. Production equipment (digitized plate production) will continue to be performed at Correctional Industries.

The fiscal impact cannot be determined, because it is contingent upon potential actions of the Idaho Transportation Department in moving to a digitized plate production process. Evaluation of different digitized equipment manufacturers is not complete. Adoption of the digitized process will have certain increased costs, as well as savings and improved service. There will be an increased cost of stocking an additional standard plate. Such additional stocking cost will be partially or fully offset by the reduction in the cost of stocking specialty plates. The cost, directly associated with producing a new standard plate, should not exceed \$10,000.

Chairman Brandt explained the committee has a presentation scheduled on Tuesday, February 21, 2006, by 3M, a diversified technology company. The 3M will discuss transportation technology and give an overview about digital license plates, signs, and pavement markings.

MOTION:

Senator Langhorst moved to Hold S 1366 in the committee and it shall be rescheduled after the presentation on February 21, 2006. **Senator Little** seconded the motion. The motion carried by **Voice Vote**.

H 464

Idaho Transportation Department (ITD) Port of Entry Manager **Reymundo Rodriguez** presented the proposed amendments listed in H 464 to Sections 40-510(2)© and 40-511(1), Idaho Code. These amendments are necessary to further clarify those vehicles required to stop at Ports of Entry for inspection and/or weighing.

There has been some confusion in the courts regarding when vehicles must stop at ports of entry, and when Port of Entry personnel may stop vehicles by-passing open weigh stations. This legislation amends Section 40-511(1) to provide further clarification that vehicles are

required to stop at ports of entry for inspection and weighing, if operating or registered at weights greater than twenty-six thousand (26,000) pounds.

ITD has contacted industry in the form of the Idaho Trucking Association's President Paul Sudmeier, and the organization endorses the clarification to this code. This was also discussed with the Motor Carrier Advisory Committee in December 2004, and they also unanimously endorsed the clarification. Additionally, it also will clarify that the referenced sections under Section 40-510(2)© end at Section 512, and not Section 514, as currently listed in Section 40-510, Idaho Code.

There is no fiscal impact to the Idaho Transportation Department.

MOTION: **Senator Little** moved that H 464 be sent to the Senate Floor with a Do Pass Recommendation. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

ADJOURNED: There being no further business, the committee adjourned at 2:24 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment #1 - News article "Driving down Idaho's road fatalities"
Attachment #2 - AARP driver safety program briefing paper

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, February 21, 2006

TIME: **Chairman Brandt** convened the meeting at 1:31 p.m.

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, Marley, and Langhorst

MEMBERS ABSENT/ EXCUSED: None

GUESTS: The sign-in sheet and attachments will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

MINUTES: **Senator Marley** moved to accept the committee's minutes of Thursday, February 2, 2006, as written. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

MINUTES: **Senator McGee** moved to accept the committee's minutes of Tuesday, February 7, 2006, as written. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

PRESENTATION: 3M Government Accounts Manager **Steve McQueen** explained that 3M wanted to present a transportation technology overview today, and planned to discuss four core subjects. 3M wanted to discuss vehicle digital license plates, an update of a pilot program that 3M is working on with the Idaho Transportation Department on validation, also a briefing on the REAL ID Act in Idaho and some ramifications that may concern drivers' license, and roadway maintenance services.

Mr. McQueen explained that 3M is a diversified technology company with a worldwide presence in the following markets: consumer and office; display and graphics; electro and communications; health care; industrial and transportation; and safety, security, and protection services. 3M is a global enterprise of more than 40 business units characterized by substantial inter-company cooperation in research, and manufacturing and marketing of products.

He introduced other 3M personnel in attendance including:

John Tobin, National Sales Manager, Highway Safety Business Unit;
Dave Nyberg, Business Development Manager, Highway Safety Business Unit;
Dave Pointon, Government and Industries Relation Manager, Security Systems Division;

Larry Nathan, Senior Transportation Specialist, Highway Safety Business Unit;

Ken McClure, Consultant, Givens Pursley, LLP;

Molly Steckel, Consultant, Givens Pursley, LLP; and,

Jess Overgard, Consultant, Public Affairs and Associates.

He reported, the 3M Traffic Safety Systems Division has been a world leader in transportation safety products and systems for more than 60 years. 3M employs advanced technologies to enhance roadway safety, efficiency and traffic management through signing, pavement marking, vehicle registration and intelligent transportation solutions. Combining unmatched reflective material expertise with emerging digital and data management technologies, 3M offers a suite of systems and services to meet any vehicle registration need. They include production and distribution of license plates and renewal stickers, electronic vehicle registration, and motor vehicle database management.

Mr. McQueen explained the 3M integrated solutions, digital license plate system for speciality license plates. This digital license plate system is used in neighboring states such as Montana, Wyoming, Oregon, Washington, Colorado, Nevada, and numerous others, including the federal government in Washington, D.C.

The digital license plate designs are on a roll containing 900 different plate designs, a total of 1,800 license plates. The roll would be sent to the Correctional Industries, and it will then be adhered to an aluminum plate, cut, and then the plates will be shipped in pairs to the assessor's office or to the end user.

Mr. McQueen presented several samples of 3M digital license plates printed by the 3M digital license plate system. The digital system will provide an enhanced production and distribution system, enhanced customer service capabilities, enhanced cash flow management, and inventory management and reduction of inventories. The system will also provide reassignment of plate numbers by cleaning files, providing design implementation, and enhanced graphics and increased revenue. The system will also reduce storage and mailing costs, and enhance reporting capabilities. (See attachments #1 and #2).

The digital system will eliminate solvents, eliminate roll coating and over-curing, and teaches inmates new skills in computers, graphics and printer operations. It will reduce storage, enhance reporting capabilities, create space for new industries, and maintain production during a lock-down situation.

He explained the benefits to law enforcement, such as, improved legibility with optimized character size, stroke and spacing; increased security bar codes can be scanned by police with bar code readers, and county names or codes can be printed on license plates.

The 3M Traffic Safety Systems Division has been a world leader in transportation safety products and systems for more than 60 years. 3M employs advanced technologies to enhance roadway safety, efficiency and traffic management through signing, pavement marking, vehicle

registration and intelligent transportation solutions. Combining unmatched reflective materials' expertise with emerging digital and data management technologies. 3M offers a suite of systems and services to meet any vehicle registration need, including production and distribution of license plates and renewal tickers, electronic vehicle registration, and motor vehicle database management.

He also discussed the point-of-purchase validation benefits. 3M is currently working with the Idaho Transportation Department (ITD) on a pilot on point-of-purchase. Today, validation is made at the Correctional Prison Industries, but nationwide, states are looking toward point-of-purchase validation because:

- Point-of-purchase reduces or eliminates a year-end carryover.
- It provides enhanced security by no value to a registration tab until printed.
- It enhances cash flow by inventory management and eliminates overstocking and less cash payout.
- It varies the data printed on tabs to distinguish between various plates and registration categories.
- Deter sticker theft. Prints license plate number of the vehicle onto the validation sticker.
- Provides faster tracking and distribution. Prints a bar code onto the registration renewal form or validation sticker to enable faster inventory tracking and distribution.
- Streamline mailing. Will ease the distribution process and costs by integrating registration forms and stickers into one easily mailed document.
- Integration. Integrate burster and envelope stuffing equipment.
- Beyond standard registration. Produce validation stickers, safety inspection stickers, and other stickers all in one form. (See attachment #3).

Chairman Brandt informed the committee that the Idaho Transportation Department (ITD) had provided data about the REAL ID Act in Idaho. The data included the following:

A letter from the ITD **Director David S. Ekern**. He wrote:

The REAL ID Act, was signed into law by President George W. Bush, and became public law 109-13 on May 11, 2005. Section 202 of the law contains minimum document requirements for federal recognition of a state issued drivers' license or identification card. Drivers' licenses or identification cards issued after May 11, 2008 will not be recognized for any official federal purpose, including presentation to Transportation Security Administration (TSA) agents at the airport and entry into federal facilities, if they are not compliant with this new law.

Conformance with the law will require enactment of new state legislation, implementation of tougher identity and licensing standards, significant investment in automated systems infrastructure and potential additional staffing.

Rulemaking by the Department of Homeland Security has started and is expected to take about a year. Until those regulations are released, some questions remain unanswered. However, for planning purposes, states must evaluate and estimate impact and identify funding sources. The attached document discusses the anticipated impact of the REAL ID Act on the State of Idaho.

I hope the information is helpful. Additional information is available from Pam Lowe, Motor Vehicles Administrator or Julie Pipal, Budget Policy Intergovernmental Relations Manager, (208) 334-8804. (See attachmentS #4 and #7).

3M Security Systems Division Government and Industries Relations Manager **Dave Pointon**, from St. Paul, Minnesota, explained the 3M safety, security, and protection services. 3M is a leader in several large and fast-growing markets, including personal safety, security and facilities protection. Major products include personal protection products, laminates that are used to help prevent counterfeiting of documents, reflective materials for personal safety, window films, cleaning and protection products for commercial establishments, roofing granules for asphalt shingles, and fire protection products that help protect against the spread of fire, smoke and toxic fumes.

Driver's licenses are some of the most commonly used forms of identification in the world. Great strides have been taken in recent years to make these cards more difficult to tamper with or counterfeit. New 3M innovations have now made "confirm laminate" with floating images available for the composite cards used in these convenient issuing systems. The result: you can now make your driver's license more difficult to tamper with or counterfeit—and much easier to authenticate. (See attachment #5).

A lengthy power point display was reviewed relating to roadway maintenance services, guide signs, pavement markings, unlighted overhead signs, trends and sign performance, observation angle, headlight design and sign performance, aging populations and the needs of the older driver, and reports from other states' Department of Transportation. (See attachment #6).

ADJOURNED: There being no further business, the meeting adjourned at 2:40 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachments # 1 and #2 - Samples of Idaho digital license plates.
Attachment #3 - Data - Idaho motor carrier vehicle registration and tags.
Attachment #4 - Data from the Idaho Transportation Department regarding REAL ID Act.
Attachment #5 - Data regarding confirm laminate with floating images.
Attachment #6 - 3M power points display.

Attachment #7 - REAL ID Act of 2005 driver's license title summary.

MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Thursday, February 23, 2006
- TIME:** 1:30 p.m.
- PLACE:** Room 426
- MEMBERS PRESENT:** Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, Marley, Langhorst, and Acting Senator Harper
- MEMBERS ABSENT/ EXCUSED:** Chairman Brandt
- CONVENED:** **Vice Chairman McGee** conducted the meeting and convened the committee at 1:33 p.m. **Acting Senator Dennis Harper**, from Orofino, Idaho, who was appointed by Governor Dirk Kempthorne, will serve during the absence of Chairman Brandt.
- GUESTS:** The sign-in sheet(s) and a 21 paged attachment will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- S 1366** S 1366, relating to motor vehicle license plates, was first presented to the committee on Thursday, February 16, 2006, by **Senator Hal Bunderson**, District 14, and he continued his presentation today.
- Senator Bunderson** explained, S 1366 was held until after the 3M presentation on Tuesday, February 21, 2006, relating to digital technology for license plates. He explained, at this time, the state has not adopted a digital process for license plates.
- This proposed legislation will provide an alternative to the standard issue of license plates, which may be configured according to specified options.
- The fiscal impact cannot be determined, because it is contingent upon potential actions of the Idaho Transportation Department (ITD) in moving to a digitized plate production process. An evaluation of different digitized equipment manufacturers has not been completed. Adoption of the digitized process will have certain increased costs, as well as savings and improved services.
- There will be an increased cost of stocking an additional standard plate. Such additional stocking cost will be partially or fully offset by the reduction in the cost of stocking specialty plates. The cost directly associated with producing a new standard plate should not exceed \$10,000.
- Senator Bunderson stated, in summary, this bill just offers a choice.

Since 1960 we have had the *Famous Potatoes* logo on the bottom of Idaho license plates. That made sense as you could not interrupt the production-run easily. In addition, you had to stock the license plates at the location where plates are dispensed. The digital technology changes that process. He stated, I understand that the digital technology system, should we go that way, has an inventory management program that even streamlines the process further.

Senator Bunderson explained that this technology eliminates the need for a mandate. We do not need to mandate as we can offer people a choice. That is all this bill does, offers a choice. You can have a standard license plate choice, and determine whether it will have a logo of *famous potatoes*, a generic plate with a scene of Idaho, or a county designation. The digital process offers various choices for the consumers.

He explained that our population has changed dramatically since the existing standard plate started. The agricultural industry also has changed dramatically, and the statement of purpose (SOP) illustrates some of those changes.

Senator Bunderson also stated that the taxation committee wants to support every industry in Idaho, but many in our population are saying they would like to have a choice.

Idaho Transportation Department Vehicle Services Manager **Amy Smith** explained that stockpiling standard plates would continue, but a speciality plate would be made and mailed to the user.

Jerry Decker, a representative for the Idaho Potato Growers Association, testified to oppose S 1366. He requested the committee to hold the legislation until next Thursday in order to allow time for members of the potato commission to be available to testify. He reported that the term "*Famous Potatoes*" has been on the standard Idaho license plate since 1960, regardless of the design shown on the plate.

After a lengthy discussion about using the digital process for both speciality and standard license plates; what value does "*famous potatoes*" on license plates provide; a county's designation, and maintaining stockpiles of plates, Vice Chairman McGee determined the committee would hold S 1366 until Thursday, March 2, 2006. Therefore, S 1366 will be rescheduled to provide an opportunity for others to testify.

H 601

Idaho Transportation Department Vehicle Services Manager **Amy Smith** presented H 601. This proposed legislation will allow a graphic design to be placed on the veteran's motorcycle license plate. The existing code limits the plate's design to Idaho's standard red, white, and blue plate, with the words "*Scenic Idaho*" at the top and "*Veteran*" at the bottom.

This amendment will allow a graphic design to be placed on the plate. This plate was originally to be available for purchase on January 1,

2005, but due to the lack of reaching agreement on the plate design, it is necessary to amend the code in order to produce the veteran's motorcycle license plate.

An emergency, therefore, exists, and final plate design has reached a consensus. This legislation will allow a retroactive effective date of January 1, 2006, to fulfill plate orders pending for the past year.

This legislation does not require additional budget funding for the Idaho Transportation Department, as the license plate fees will be continuously appropriated to the plate manufacturing account.

A discussion was held regarding which veteran's organization was involved with this legislation, the local veteran's organization or the federal veteran's association? Who will have veto authority over the plate design, federal or state? Amend H 601 so the bill shows "administrator of the Idaho veteran's."

MOTION: **Senator Langhorst** moved to Hold H 601 until a time certain next Tuesday when the amending language can be presented.

Discussion: The process for sending H 601 to the 14th Order for amendment.

MOTION WITHDRAWN: **Senator Langhorst** withdrew his original motion to Hold H 601 in the committee.

MOTION: **Senator Langhorst** moved to send H 601 to the 14th Order. **Senator McKenzie** seconded the motion.

Discussion: Page 2, lines 3 and 4 of the bill: "a unique numbering system shall be utilized by the department." Why was the word "unique" used? Ms. Smith explained that "unique" means we (ITD) will try to find or use a prefix or suffix currently in use. Provisions already in law determine the colors for veterans license plates.

The motion carried by **Voice Vote**.

PRESENTATION: Executive Director of the Metropolitan Planning Organizations of Southwest Idaho (COMPASS), **Matthew J. Stoll**, explained why COMPASS exists. COMPASS plays an important role in making decisions about future long-range transportation needs, taking into consideration environmental and economic factors affecting our quality of life.

The population in the valley has increased approximately 44 percent (44%) since 1990. It is expected the population will grow another 60 percent (60%) by the year 2030. Rapid growth results in more cars, more congestion and pollution.

He reported that when an urbanized area reaches 50,000 people, a metropolitan planning organization (MPO) is required. COMPASS has served Ada County since 1977, and in Nampa since 2003.

General members of COMPASS include the counties of Ada and Canyon, cities of Boise, Caldwell, Eagle, Garden City, Kuna, Meridian,

Middleton, Nampa, Notus, Parma and Star. Also, highway districts of Ada County, Canyon County, Golden Gate District #3, Nampa Highway District #1, and Notus-Parma Highway District #2. Special members include Boise State University, Capital City Development, Idaho Department of Environmental Quality, Idaho Transportation Department, Independent School District of Boise City, Joint School District #2, and Valley Regional Transit.

For additional information, COMPASS maintains web sites at www.compassidaho.org and www.communitiesinmotion.org.

Mr. Stoll outlined a power point presentation regarding why metropolitan planning organizations exist, U.S. Government mandate and key aspects of the mandate; MPO responsibilities, 2000 census data of new urbanized areas in Idaho, funding, and other related data. (See attachment #1).

ADJOURNED: Vice Chairman McGee thanked Mr. Stoll and others present. There being no further business, the committee adjourned at 2:50 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment #1 - Introduction to Metropolitan Planning Organizations (21 pages).

MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Tuesday, February 28, 2006
- TIME:** 1:30 p.m. Convened
- PLACE:** Room 426
- MEMBERS PRESENT:** Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, Marley, and Langhorst
- MEMBERS ABSENT/ EXCUSED:** None
- GUESTS:** The sign-in sheet(s) and attachments will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- MINUTES:** **Senator Keough** moved that the committee's minutes of Tuesday, February 14, 2006, be accepted. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.
- S 1367** **Senator Michael Jorgenson**, District 3, presented S 1367. This legislation will provide a condition under which the driver of a motorcycle may proceed through a steady red traffic-control signal after coming to a full and complete stop at the intersection. It also will specify when such action is not a defense to a violation of the law.
- There is no fiscal impact to the general fund or local government.
- Charles (Chuck) Coulter**, an attorney representing the Idaho Coalition for Motorcycle Safety, a statewide organization, testified to oppose S 1367. He explained, this legislation is a technology question, and is a time and budget issue. The technology is there, it is simply getting a sensor placed in the ground to alert a traffic-control signal that a motorcycle is there.
- MOTION:** **Senator Little** moved to send S 1367 to the floor with a Do Pass Recommendation. **Senator McGee** seconded the motion. The motion carried by **voice vote**. **Senator Keough** voted "No."
- H 560** **Representative Richard Wills**, District 22, presented H 560. He explained, this legislation is to provide for the duty of a driver of a motor vehicle upon approaching a stationary police vehicle displaying flashing lights. Drivers should reduce their speed for safety purposes, and if on a highway with two or more lanes going the same direction, they should move into another lane of traffic. Moving into another lane of traffic is necessary only if it is safe to do so. There is no fiscal impact.
- During the past six months, the state of California has had five highway

patrol officers killed at traffic accident scenes. With the number of motor vehicles increasing in this area, this legislation is needed for the safety of the police and emergency medical personnel.

A conversation was held relating to line 17 of the bill regarding the wording "reasonable and prudent," and basic code rules; number of rear-ended accidents in Idaho, and other states having adopted similar legislation. Also discussed was how can this law be enforced, and will it create lawsuits.

MOTION: **Senator McGee** moved to send H 560 to the floor with a Do Pass Recommendation. **Senator Marley** seconded the motion. The motion carried by **Voice Vote**. **Senators McKenzie and Jorgenson** voted "No." **Senator McGee** will sponsor H 560.

H 561 Former Senator **Skip Smyser** and **Paul Sudmeier**, president of the Idaho Trucking Association, presented H 561. The Idaho Trucking Association has been in business in Idaho for 74 years.

This proposed legislation amends existing law to revise the criteria for maximum allowable loads for any vehicle tire operated on public highways; to provide nonapplication to nonreducible overweight and/or oversize vehicles and loads.

This legislation specifies the legal load per inch/width of tires limited to 600 pounds for tires fifteen inches wide and more; 500 pounds for tires less than fifteen inches. It will eliminate the provision allowing 800 pounds for older vehicles. These changes are intended to support the use of true "super single" tires, and discourage the practice of simply "singling out" dual tire installations which have been shown to damage the pavement.

The net effect of these amendments will be savings for the trucking industry with no appreciable negative effects to pavements or bridges. Compared to conventional dual tires, wide-base tires offer the trucking industry many potential economic advantages, such as improved fuel efficiency (due to decreased rolling resistance), increased pay load, superior handling, braking comfort, and reduced repair and tire costs. Increased fuel efficiency also results in emission reduction per ton and mile. (See attachment #1 - 2 pages).

This legislation has no fiscal impact to the state's general fund.

MOTION: **Senator Jorgenson** moved to send H 561 to the floor with a Do Pass Recommendation. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**. **Senator McGee** will be floor sponsor for H561.

ADJOURNED: There being no further business, the committee adjourned at

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment # 1 - Legislative and analysis of effects of super single wide tires on pavements.

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, March 2, 2006

TIME: 1:30 p.m. Convened

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Marley, and Langhorst

MEMBERS ABSENT/ EXCUSED: Senator Jorgenson

GUESTS: The sign-in sheet(s) and an attachment will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

H 608 **Senator Skip Brandt**, District 8, presented H 608, relating to special motor vehicle license plates. This legislation will provide a code reference by the addition of a new section, and to establish a National Rifle Association (NRA) special license plate program. The NRA license plate shall be of a color and design in accordance with the provisions in existing law.

There is no cost to the general fund or local government.

MOTION: **Senator Keough** moved to send H 608 to the floor with a Do Pass Recommendation. **Senator Marley** seconded the motion. The motion carried by **Voice Vote**.

S 1366 This proposed legislation, S 1366, was presented to the committee on February 14, and again on February 23, 2006 by **Senator Hal Bunderson**, District 14.

This legislation, S 1366, relates to motor vehicle license plates. It adds to and amends existing law to provide an alternative to the standard issue of motor vehicle license plates, which may be configured according to specified options.

Senator Bunderson reiterated that S 1366 is a bill of choice, and it will give Idaho motorists a choice of license plate designs for their vehicles. That is all this legislation will do, provide consumers a choice. He testified that local government and taxation support industry, especially the agricultural industry.

He distributed information regarding Idaho's exports including high-tech, food and agriculture, wood and building materials, transportation equipment, fertilizers, raw minerals, hides and leather goods, and fabricated metal products. The exports from Idaho in year 2005 totaled

\$3260.3 million.

Idaho's agricultural products gross cash receipts in year 2004 totaled \$4348 million, with the highest product being milk. (See attachment #1).

Frank W. Muir, president and CEO of the Idaho Potato Commission (IPC), testified to oppose S 1366. He explained, Senator Bunderson, cosponsor of this bill, may not be aware, but I reside within his district. Also, the Idaho Potato Commission, is located within his district. Most of my staff live within his district. And many of the IPC employees live within his district. So there are many voters living within his district who do value *Famous Potatoes* on Idaho license plates.

It is important to note up front the economic value of Idaho potatoes to Idaho's economy. Senator Bunderson was quoted in the Idaho Statesman referring to \$500 million from farm gate sales as its only revenue representation. Well, this year we are on track to deliver more than \$700 million in farm gate revenue. But more importantly, the full added value of that \$700 million is in excess of \$2 billion.

Washington state recently completed its own economic analysis which valued its crop, which is much smaller than Idaho's, to be in excess of \$3 billion. Many successful large processing companies have headquarters and/or plants here, including Simplot, McCain and ConAgra.

The argument I most often hear to remove *Famous Potatoes* from our license plates is that Idaho has grown beyond its agricultural roots, and needs to be known for something other than potatoes. I must point out that over the past nearly 70 years, the IPC has spent more than \$100 million in promoting Idaho as a brand. What other industry or company in Idaho can say that?

Mr. Muri stated, I appreciate the growth of high tech companies in the state, but they don't typically bear Idaho on their company logos, nor do they promote Idaho in their advertising; we do. If you don't want to be known for your *Famous Potatoes*, I would ask what do you want to be known for?

Mr. Muir also reported that he has conducted his own survey . . . asking people "what comes to mind when you hear *Idaho*?" They immediately say "potatoes." I then ask what else? All I get is a blank stare.

I could mention several states that you would be hard pressed to say one thing they are known for, and truly own. I hear some Idahoans want the state to be known for its growing technology businesses. That is wonderful, but other states already own that recognition. California with the Silicon Valley, or Washington with Microsoft, or even Utah is known as the other Silicon Valley.

Some Idahoans want the state to be recognized for its scenic environment. I, too, love our mountains and rivers. Yet our most well-known national features are entrances to Yellowstone Park and the

Grand Tetons which are in Wyoming. I had never heard of the Sawtooth Mountains before I moved here, and it was the name of a middle school my daughter would be attending. But I will tell you what Idaho does stand for.

For 70 years, Idaho potatoes have built an image of quality produce. The strength of that brand image has been leveraged by other Idaho agricultural businesses as well, and has helped grow very successful dairy and beef industries. Buyers and consumers expect foods that carry the Idaho name to be premium quality, because their experience with Idaho potatoes has inspired that expectation. Even the Idaho Department of Agriculture would probably concur that their "*Idaho Preferred*" program builds upon the long-established brand equity of quality established by Idaho potatoes. And the IPC is not just helping to promote Idaho's *Famous Potatoes*.

Recently, IPC has worked with the Department of Agriculture to create a large Idaho exhibit at the May 2006 United/FMI (Food Marketing Institute) conference in Chicago, the largest food show in North America. This is the first time Idaho will have its own state exhibit, and Idaho Potatoes will be the anchor booth but we are bringing other Idaho businesses with us.

We are also working with the Idaho and Eastern Oregon Onion Committee to help them in their promotion efforts. We are even helping to establish Idaho's fledgling but potentially lucrative film industry by working with Dawn Wells to establish *SpudFest*, a music and film festival in Eastern Idaho.

And I would submit to you that the same elements that grow great spuds, promotes tourism to Idaho for our beautiful mountains, volcanic rich soil, rapid filled rivers, and idyllic climate.

Idaho potatoes have also served to build Idaho's brand image for quality worldwide. Just in the past two years, my staff has made business building trips to Asia, Mexico, Central America, Europe and the Middle East. Every country we travel to, as soon as we say we're from Idaho, the very first word out of the person's mouth, in whatever language they are speaking, is "potato." In fact, Japan just opened its country to allow chipping potatoes to enter during a five-month window each year. The first state shipping potatoes will be Idaho . . . even with a limited chip potato business in our state. In fact, 60 million pounds of spuds are in a barge headed to Hiroshima as we speak. And, our reputation for quality potatoes opens opportunities for other Idaho industries to expand worldwide.

Now I must admit, I was discouraged when of the four images our state sent to be considered for our state's commemorative quarter, not one reflected the image of what Idaho is best known for . . . its "*Famous Potatoes*." I will tell you, other states around our great nation will more note its absence from our quarter than the one I will, whatever we put on in its place.

Other states are proud of their agriculture heritage and reflect it on their

quarter and on their license plates. Georgia plates bear the peach, and Wisconsin celebrates its dairy, Indiana and Kansas highlight grain, Illinois bears "*The land of Lincoln*" on its plate and on its quarter. I'm sure many Chicagoans' think their state should be known for something more than a president that lived many years ago, but they build on their heritage.

Your farmers in this great state are under fire more and more. More farmers go out of business every year. Potato growers have been faced and met the challenges of low-carb diets and escalating fuel prices. They need your support, not another stumbling block thrown in front of them. In fact, one of our six major strategic issues we identified two years ago was transportation. The fact that we are geographically uncompetitive in getting to our major markets in the east, other states, like Washington, have created legislation to help pay for high-speed trains going directly to the east coast. We solicit your ideas to help our growers as well

I would ask, is having "*Famous Potatoes*" on our license plates a big deal? I would answer it is. Marketers pay millions of dollars annually to get their products on TV or on billboards for just 10 seconds. When Idahoans travel around the country, they take those ten (10) second ID's everywhere they go. And, consumers do notice them.

I understand you want Idaho to be known for something more than potatoes, but I submit to you that you don't have to put down one industry to grow another one.

California's film industry doesn't mock the Silicon Valley. Nor does the Silicon Valley put down the Nampa Valley wine industry. And still, California has very successful strawberry, avocado, and citrus industries. All build upon one another. And, regarding the issue of giving Idahoans a choice as to what they have on their plates . . . they already have dozens of choices. No one is forced to carry "*Famous Potatoes*" on their license plates if they do not want to.

Let me make you aware of two final important developments that affect Idaho's potato industry and you too. First, every four years the World Potato Congress, headquartered in Prince Edwards Island, holds a week-long conference in a major potato growing country. Its last meetings were in China and The Netherlands. For the first time in its history, the World Potato Congress is coming to the United States . . . and guess what city they chose to represent the Capitol of the United States . . . Boise. This coming August, thousands of people from around the world will be coming to Boise, spending hundreds of thousands of dollars in our local economy.

People are excited to come here. Wouldn't it be ironic that the very year the world comes to see Idaho's *Famous Potatoes*, is the very year you chose to pull *Famous Potatoes* off our license plates? I can promise you, the irony will not be missed by the national press that will cover the event.

And second, the United Nations has just voted to name 2008 as the

"International Year of the Potato." The United Nations is recognizing the expanding value of feeding the world's poor through the use of potatoes, especially dehydrated potatoes. You may be interested in knowing that we are currently developing the first fortified flake potatoes to be used in the world's food aid programs. Again, it seems the world sees the importance of potatoes more than some folks here in Boise.

I ask you . . . do not be embarrassed by your potatoes. They have served to raise the foundation for a successful culture of quality. If you want to add your support to Washington, Oregon, or Colorado potatoes, then vote to take *famous potatoes* off our license plates.

But, if you truly want to show your support of thousands of Idahoans who make their living by growing, shipping, processing and supporting potatoes, then vote to keep *famous potatoes* right where they are. In fact, I would encourage every one of you to go to the Department of Motor Vehicles and show your increased support for the Idaho potato industry, by doing as I have done, buy the IPC plate that proudly displays our "*Famous Potatoes*."

Keith Esplin, executive director of Potato Growers of Idaho in Blackfoot, testified to oppose S 1366.

Sherise Jones, marking director of the Eastern Idaho Onion Association, testified to oppose S 1366.

Written comments were submitted by the Food Producers of Idaho, Inc., to oppose S 1366. They wrote:

Food Producers of Idaho, representing commodity and farm organizations in Idaho, has been listening with interest to various comments regarding S 1366. Our members have voted to oppose S 1366. Many Food Producers members have no affiliation with the potato industry. In fact, two industries that hold membership with the organization actually generate more revenue than the potato industry in Idaho, dairy and cattle.

Idaho's notoriety as a potato state has nothing to do with the potato industry. When hearing of this proposal, many of our members related stories of traveling, not only in the U.S. but also overseas, and having people say to them, "Idaho? -you're from the potato state." Our members discussed other states such as Georgia (peaches), Kansas (sunflowers), Wisconsin (cheese) and Pennsylvania (Keystone State) that have specific identities as a state.

The agriculture industry in Idaho has accepted the growth of urban areas, and the presence of new faces in our state. However, we also feel that we have worked to build an identification for our state. "*Famous Potatoes*" is something that makes Idaho unique among the other lower 48 states.

We are asking that you oppose S 1366 and, therefore, send the message to new people coming to our state that we are about agriculture and

PROUD of it. When \$4.5 billion of our state's income is from agriculture, we should be cautious as to the message we send related to the importance of all the commodities grown in our great state. S 1366 is not what Idaho stands for as the Gem State.

Senator Bunderson, again, reiterated that S 1366 is a bill that will give Idaho citizens the option of a choice. There is no disrespect to the potato industry. He has heard a lot of testimony today about potatoes, but none about S 1366.

After a lengthy conversation and review of S 1366, the committee took the following action:

MOTION: **Senator Langhorst** moved to Hold S 1366 in the committee. **Senator McGee** seconded the motion.

Discussion: **Senator Langhorst** explained that it is a huge question regarding what is Idaho to be recognized for? And, that is the type of thing that develops over decades or generations. The practical aspect, right now, if Idaho's economy benefits from having *famous potatoes* on our license plates, basically we are talking about giving up some advertising space. He stated, we are not replacing it with something else, and he does not see any benefit in doing so. If you get a vanity license plate, you can put any message you want on your license plate.

He stated that he wished he could support Senator Bunderson, especially in his retirement. Senator Langhorst said he does agree with Senator Bunderson that Idaho is growing very fast, but he does not believe that is a good reason for removing *famous potatoes* from Idaho's license plates.

Senator Little explained, this goes to a broader license plate issue. Every time we dilute that commonsense identity that we have had, it's just one more issue. I think county designators and famous potatoes are both a sense of identity that we have in Idaho. The people he has talked to, collectively, like the old system; therefore, he supports the motion on the floor.

The motion carried by **Voice Vote**, and S 1366 will be Held by the committee.

H 463 Idaho Transportation Department Port of Entry Manager **Reymundo Rodriguez** presented H 463. He explained that he was presenting proposed amendments to Section 49-432, Idaho Code, as detailed in House Bill 463aa.

These amendments are necessary to allow Idaho to conform to the provisions of the International Registration Plan agreement. Idaho Code, Section 49-432, should state that the Unladen Weight permits are valid for thirty (30) days, rather than for one-hundred twenty (120) hours, as stated in current Idaho Code. The fee for this permit is not being changed and remains at \$30.

The unladen Weight Permit allows an owner-operator, who is

moving between lessee fleets, to operate their vehicle combination at the unladen (empty) weight for a period of thirty (30) days, or until the owner-operator leases to another carrier, or registers the vehicle(s) in his/her name. There is no fiscal impact to the Idaho Transportation Department.

MOTION: **Senator McKenzie** moved to send H 463, as amended, to the floor with a Do Pass Recommendation. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**. **Senator McKenzie** will sponsor H 463.

H 603 **Senator Shawn Keough**, District 1, presented H 603, relating to utility type vehicles. She explained, H 603 is similar to last year's H 68. This legislation defines utility type vehicles.

The Department of Parks and Recreation Operations (IDPR) Division Administrator **Dean Sangrey** explained that some uniquely sized vehicles fell outside the original definition that was structured a year ago, in the original bill. In the interest of vendors, retailers, and users encouraging us to consider expanding on the definition so we could incorporate those larger vehicles into this strategy, appeared to us to be a very appropriate consideration. We have had contact from a number of legislators, statewide, encouraging us to consider this.

Recreational vehicle manufacturers have started providing larger versions of ATV's, called utility type vehicles (UTV's), and they cannot be registered as an off-highway vehicle (OHV) in Idaho. Similarly, the Idaho Transportation Department will not license them for use on public roadways as they do not meet all legal requirements for highway operation. This has created an untenable situation for an ever increasing number of users, vendors, and dealers. By creating a new class of OHV, IDPR can provide a registration process, and a legal recreation opportunity on certain unpaved roads on state and federal roads, for this type of vehicle. In conjunction with this change, it will be necessary to address several additional issues related to titling of the UTV's, so as to provide protection for the owner, and proper guidance for dealers and retailers who sell the vehicles.

This legislation will have no impact on the general fund. The estimated costs of \$45,000, associated with developing this new registration program, will be borne by the dedicated OHV recreation program.

MOTION: **Senator Little** moved to send H 603 to the floor with a Do Pass Recommendation. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**. **Senator Keough** will sponsor H 603.

ADJOURNED: There being no further business, the committee adjourned at 2:28 p.m.

Senator Skip Brandt
Chairman

Attachment #1 - Idaho exports to the world (2 pages)

Betty Osborn
Secretary

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, March 7, 2006

TIME: 1:30 p.m. **Chairman Brandt** convened the meeting.

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, Marley, and Langhorst

MEMBERS ABSENT/ EXCUSED: None

GUESTS: The sign-in sheet(s) and attachment(s) will be retained with the minutes in the committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

MINUTES: **Senator Keough** moved to accept the committee's minutes for Tuesday, February 21, 2006. **Senator Langhorst** seconded the motion. The motion carried by **Voice Vote**.

MINUTES: **Senator Langhorst** moved to accept the committee's minutes for Thursday, February 16, 2006. **Senator Little** seconded the motion. The motion carried by **Voice Vote**.

MINUTES: **Senator McKenzie** moved to accept the committee's minutes for Thursday, February 9, 2006, with one correction - the word "be" is to be added in the paragraph "Guests." The line will read: "will be on file with the minutes . . ." **Senator Little** seconded the motion. The motion carried by **Voice Vote**.

S 1368 **Senator Bert Marley**, District 29, presented S 1368, relating to the operation of railroads. The proposed legislation would amend existing law to provide required signaling by locomotives for prescribed times and distances before and at railroad crossings. This legislation would bring Idaho Code in-line with federal regulations as well as neighboring states. There is no fiscal impact.

George J. Millward, Pocatello, who represented the United Transportation Union, explained this legislation is a very simple bill. New federal regulations were effective in 2005. All locomotive engines have both a bell and whistle, and they should be sounded at least fifteen (15) seconds but not more than twenty (20) seconds before the crossing. If the movement of the locomotive engine exceeds forty-five (45) miles per hour, then the bell must be rung eighty (80) rods, approximately one-quarter (1/4) mile, from the place where the railroad crosses any public street, road, or highway. This legislation will not override state law.

Charles (Charlie) Clark, representing the Union Pacific Railroad for twenty-one (21) years, testified to oppose S 1368. He explained that management does not support this legislation. He stated that Congress wants uniform regulations for trains. He requested the committee to hold S 1368.

Mr. Clark presented data showing Idaho's highway rail crossing collisions and trespasser fatalities from 1991 through 2005. (See attachment #1).

Steve Thomas, an attorney for the Burlington Northern Santa Fe (BNSF) Railway Company, testified to oppose S 1368. He distributed data relating to the *federal* register, and Federal Railroad Administration's rules and regulations dated April 27, 2005. (See attachment #2).

John Watts, representing the WATCO Railroad Companies, testified to oppose S 1368. He reported, on behalf of WATCO Railroad Companies, including the Palouse River-Coulee City Railroad (Moscow), Great Northwest Railroad (Lewiston/Clearwater), Eastern Idaho Railroad-Magic Valley and Eastern Idaho Railroad-Upper Snake (Idaho Falls/Rexburg/St. Anthony), that we are urging you to oppose S 1368 and also S 1369.

Senate Bill 1368 seeks to regulate when and the duration a locomotive engine should sound its bell approaching a railroad crossing. While the bill may appear to be technical corrections, converting "rods" to "miles," it actually sets out distance and duration specifications for sounding the bell using state law as the regulatory mechanism. Railroad regulation is the principal domain of the Federal Railroad Administration. To change federal requirements presently imposed upon Idaho's shortline railroads will do little good, because federal traffic regulations always supersede state shortline railroad traffic regulation. The change proposed in S 1368 is not requested by the Federal Railroad Administration nor Idaho shortline railroads. We do not see a benefit from such specification, and it may result in arbitrary enforcement as one seeks to judge a locomotive's speed and distance.

S 1369 proposes to regulate how closely a train may stop near a railroad crossing when two or more adjacent tracks cross any street. WATCO understands there may, on occasion, be a visibility situation, but WATCO's shortline railroads simply cannot comply with such a standard, given the current physical location of our rail infrastructure and our customers' business rail siding infrastructure. In some instances on our four railroads, we have sidings adjacent to our main shortline track within 500-feet of a railroad crossing where trains must stop to switch tracks and access siding rail. These sidings are designed and built to serve a private sector business or industry on their private property. Given the 500-foot limitation in S 1369, we simply cannot comply without moving either our siding and switch or the customers siding rail and/or loading docks. This construction may not be possible given the property boundaries of a business, plus construction and realignment could cost tens of thousands to hundreds of thousands of dollars to either purchase land and reconstruct rail sidings and

switches, or ask businesses to relocate and rebuild loading docks a further distance from a railroad crossing.

Please vote to oppose S 1368 and S 1369 and hold these bills in your committee. Thank you for considering our viewpoints.

MOTION: **Chairman Brandt** called for a motion. **S 1368 died for lack of motion.**

S 1369 **Senator Bert Marley**, District 29, also presented S 1369, relating to the operation of railroads. This legislation provides a minimum distance for trains standing near crossings with two or more adjacent tracks. It will also provide a penalty for each such violation.

George J. Millward, Pocatello, who represented the United Transportation Union, testified to support S 1369. He explained a lot of research has been conducted relating to S 1369, but after a discussion, Mr. Millward suggested that, at this time, S 1369 be held in the committee.

This legislation requires that whenever a railroad with two or more adjacent tracks crosses any public street, road, or highway, no part of a train's cars, engines or equipment shall stand less than 500-feet from the crossing. Each violation shall incur a penalty of \$100 to be paid by the corporation operating the railroad.

MOTION: **Senator Marley** moved that S 1369 be **Held in the committee**. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

H 517 **Representative Bob Nonini**, District 5, presented H 517, relating to motor carrier and harvest seasons.

There is currently no officially defined harvest season for agriculture commodities in Idaho. It is necessary to clear up any inconsistencies, and to be more in-tune with surrounding states, that Idaho clearly defines the time allowed to transport agriculture commodities interstate. This bill defines the harvest season in Idaho as it relates to the transportation of commodities as year-round.

Examples of commodity transportation interstate would be potatoes, logs, wheat, and sugar beets. Transportation of interstate commodities, with exemption from federal laws and rules, is limited to one hundred (100) air miles from the source or distribution point to the destination. Many of our commodities are transported interstate to neighboring states throughout the year.

Examples of harvest seasons in some surrounding states are: Montana and Wyoming, year-round, and Washington is February 1 through November 30. This bill would clear up any ambiguities and confusion about Idaho's harvest seasons, both with our own commodity haulers and our surrounding state neighbors, as well as the Federal Highway Safety Administration. There is no fiscal cost to the general fund.

Jerry Deckard, a representative for the Potato Growers of Idaho and the Associated Logging Contractors of Idaho, testified to support H 517.

Senator Keough, District 1, informed the committee that she would like to give notice that this bill is an initiative from her employers who are the Associated Logging Contractors. That said, she explained, this bill has statewide implications beyond my employers and because of this, and according to the guidelines set forth in law and by the Office of the Attorney General, the potential for conflict of interest is diminished because of the broad classes affected by this proposal, and I will therefore be voting upon it.

The Idaho Farm Bureau Federation's President **Frank Priestley**, submitted written comments regarding H 517. He wrote:

I would like to express the Idaho Farm Bureau Federation's support for H 517. This bill will statutorily define a year-round harvest season for agricultural commodities as it relates to the transportation of commodities.

H 517's purpose is to clarify Idaho's harvest season and to make the definition consistent with surrounding states. The state of Washington's harvest season is defined as February 1 through November 30, while Montana, Wyoming and Oregon define harvest seasons as year-round.

Modern, on-site storage capabilities have extended the life of many perishable commodities, almost into the next harvest season. Many commodities such as potatoes and apples are transported well beyond the traditional harvest season. H 517 will help simplify transportation for agricultural producers and commodity haulers. Thank you for the opportunity to express our support for H 517.

MOTION:

Senator Little made a motion to send H 517 to the Senate Consent Calendar. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

H 659

Representative Bob Nonini, District 5, also presented H 659, relating to motor vehicle manufacturers' license.

A vehicle manufacturers license is a class of license, defined in Section 49-1606(4), Idaho Code, issued to persons to engage in the business of constructing or assembling vehicles subject to registration under the motor vehicle code, at an "established place of business within Idaho."

The purpose of this legislation is to clarify that a vehicle manufacturer's license shall not issue to an applicant that does not have an "established place of business within Idaho," and to require the licensee to notify the Department of Transportation of any change in address or location of the licensee's place of business during the license period. Upon such notification, a new license will be issued to the licensee for the new location for the balance of the license term.

There is no fiscal impact to state or local funds as a result of this legislation.

MOTION:

Senator Langhorst moved to send H 659 to the Senate Consent Calendar. **Senator Marley** seconded the motion. The motion carried by **Voice Vote**.

H 727

Representative Bob Nonini also presented H 727, relating to titling of salvage vehicles. The purpose of this legislation is to provide vehicle purchasers with necessary and important information relating to significant damage history of a vehicle. He distributed a picture of vehicles caught in the flood water in New Orleans, Louisiana. (See attachment #3).

Under current law, a vehicle that has been declared "salvage" in another jurisdiction, or which vehicle has been damaged to such an extent that the cost of repair minus the salvage value makes it uneconomical to repair or rebuild, must be issued a title in Idaho which is branded to show that it is a repaired or rebuilt vehicle. However, if the "salvage" vehicle is more than five years old or has a market value of less than \$6,000, Idaho law permits a new title to be issued and the "salvage" brand to be removed from the title. A purchaser of such vehicles would not know, from the title, he was receiving a vehicle previously declared to be "salvage." Idaho is one of the few states that permits the "salvage" brand to be removed for these vehicles, and the Idaho consumers are deprived of this information.

This legislation treats all salvage vehicles alike, regardless of age or value. However, as to vehicles older than five years or with a value of less than \$6,000, that have been repaired under the personal supervision of the owner, the Department of Transportation may, upon the affidavit of the owner as to facts relating to the repair of the vehicle, issue a title showing a "reconstructed vehicle" brand without inspecting the vehicle. However, the purchaser of such vehicles will have necessary information to make an informed decision as to the purchase.

There will be no fiscal impact on the state or local funds.

MOTION:

Senator Marley moved to send H 727 to the Senate Consent Calendar. **Senator McKenzie** seconded the motion. The motion carried by **Voice Vote**.

ADJOURNED:

There being no further business, the committee adjourned at 2:34 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment #1 - Idaho highway rail crossing collisions and trespasser fatalities (1 page).
Attachment #2 - Federal Railroad Administration, 2005, Rules and Regulations.
Attachment #3 - Picture of used vehicles in New Orleans.

MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Thursday, March 9, 2006
- TIME:** 1:30 p.m. Convened
- PLACE:** Room 426
- MEMBERS PRESENT:** Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, and Marley
- MEMBERS ABSENT/ EXCUSED:** Senator Langhorst
- GUESTS:** The sign-in sheet(s) and attachment(s) will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- MINUTES:** **Senator Jorgenson** moved that the committee accept the minutes of Tuesday, February 28, 2006, as written. **Senator Marley** seconded the motion. The motion carried by **Voice Vote**.
- H 605** This legislation, H 605, was presented by the Idaho Historical Society Executive Director **Steve Guerber**. He explained:
- In December of 2003, the Eagle-based polling firm of Greg Smith and Associates "piggy backed" a few questions on one of its statewide samples of 600 Idahoans, as a favor to the Idaho State Historical Society.
- When asked to rate how important it is for the state of Idaho to preserve the history of Idaho on a scale of 1-10 (with 10 being extremely important), 68.2 percent (68.2%) of those surveyed gave it an 8, 9 or 10.
- Even more significantly, more than 62 percent (62%) of those contacted said they would be willing to pay a specific fee to support the preservation of our state's history. House Bill 605 authorizes the creation of a Historic Preservation license plate as one way to respond to the high degree of interest that exists for protecting the heritage of our state, and an expressed willingness by people to support that need if provided a specific opportunity to do so.
- The Board of Trustees of the Society decided to seek this license plate at this particular time for a variety of reasons:
1. The backlog of historic preservation projects throughout Idaho continues to grow and additional financial resources are needed to deal with them.
 2. The centennial of the creation of the Idaho State Historical Society as a state agency in 1907 takes place next year, thus making the

introduction of a Historic Preservation plate an appropriate action to occur in conjunction with that celebration.

3. Purchase of the two existing specialty plates relating to our state's heritage, the Lewis and Clark Bicentennial (or Sacajawea plate) and the Statehouse Restoration plate is expected to decrease in the next few years, and introduction of a new Historic Preservation plate offers an opportunity for migration to a plate of similar interest.

The agency has not gone to the time or expense of having the Idaho Transportation Department (ITD) prepare a specific plate design since that could take place once this bill became law. However, I do have an artist's concept that gives you an idea of what the Historic Preservation plate might look like. With your permission, Mr. Chairman, I would like to pass these copies to the committee for a conceptual review. (See attachment #2).

The agency believes that a Historic Preservation plate would be as popular (if not more so) than the Lewis and Clark or the Statehouse plates which have both been generating some \$25,000 to \$35,000 in annual funds for their benefitting organizations. There's a good possibility that a Historic Preservation plate of a more generic nature, might be of interest to an even broader spectrum of vehicle owners since it could have a more statewide appeal.

As noted in Section 3 at the end of this bill, money in the Idaho State Historic Preservation and Cultural Enhancement Fund into which the license plate funds would be deposited, would be used to benefit the state's cultural resources, historic buildings, structures, artifacts, and records; and for enhancement of statewide cultural and historic education opportunities; and for historic research purposes.

House Bill 605 amends the existing special motor vehicle license plate program to include a Historic Preservation license plate. In doing so, it recognizes an obligation to protect and preserve our heritage and cultural resources as identified some 99 years ago with the creation of the Idaho State Historical Society.

This bill, H 605, passed the House of Representatives on a vote of 48-19. I would ask that this committee recognize the purpose and benefits of this hill, and send H 605 to the Senate floor with a "do pass" recommendation.

MOTION:

Senator Marley moved to send H 605 to the floor with a Do Pass Recommendation. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**. **Senator McGee** agreed to be the floor sponsor.

Senators Geddes, Jorgenson and Little voted "NO."

H 606

This legislation, H 606, was presented by **Representative Carlos Bilboa**, District 11. This proposed legislation adds to and amends existing law relating to special motor vehicle license plates to establish an Idaho Elks Rehabilitation Hospital special license plate program.

There will be no fiscal impact to the state of Idaho. The cost of design and printing will be paid by a private donor.

MOTION:

Senator Marley moved to send H 606 to the floor with a Do Pass Recommendation. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**. **Senator Marley** will be the floor sponsor. **Senators Geddes, Jorgenson, and Little** voted "NO."

H 607

Tracey Brown, Miss Idaho, presented H 607, and explained that she has a major interest in this legislation as she has first-hand knowledge about breast cancer. Her mother is a survivor of breast cancer.

This legislation will establish a Breast Cancer Education and Screening special license plate. Funds raised from the sale of the plate will be used for breast cancer education and screening of women who lack insurance coverage or funds to pay for services related to breast cancer education and screening.

This bill, H 607, has no fiscal impact on the general fund. Fees for the special plates cover all costs and are entirely voluntary on the part of the purchasers. There may be some savings to local government indigency funds and Medicaid due to the education and screening provided for low-income women.

A drawing of the proposed special license plate was reviewed. (See attachment #1).

Bill Foxcroft, executive director of the Idaho Primary Care Association, testified to support H 607.

MOTION:

Senator Jorgenson moved to send H 607 to the floor with a Do Pass Recommendation.

Senator Jorgenson explained his motion. He said, "the difficulty with these speciality plates is there are so many good causes that it is difficult to distinguish, and approve, these various license plates. The only time I have ever voted for a license plate in the past, is when it was in support of my predecessor or on a roll-over vote. I am going to make an exception this time, because Miss Idaho has a very, very worthy cause, and she is from Kootenai County."

Senator McGee seconded the motion. The motion carried by **Voice Vote**. **Senators Geddes and Little** voted "NO."

Senators Compton and McGee will be floor sponsors for H 607.

H 609

This legislation, H 609, was scheduled to be presented by **Representative JoAn Wood**, but due to illness, **Chairman Brandt** presented the proposed legislation.

This legislation, H 609, relates to special license plate programs, and amends existing law to provide for collection of a \$6,000 non refundable fee from the sponsoring entity of any special license plate program approved after January 1, 2007. This bill will also provide that the

deposit of the funds, derived from new plates, would accrue to the Idaho Transportation Department Highway Account.

This will be positive for the Idaho Transportation Department, depending on the sale of new plates.

MOTION: **Senator Keough** moved to send H 609 to the floor with a Do Pass Recommendation. **Senator McGee** seconded the motion. The motion carried unanimously by **Voice Vote**.

ADJOURNED: There being no further business, the committee adjourned at 2:06 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

Attachment #1 - Publication by the Idaho Community Health Centers
Attachment # 2 - Proposed Historical Idaho license plate drawing

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, March 14, 2006

TIME: 1:32 p.m. Convened

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, and Marley

MEMBERS ABSENT/ EXCUSED: Senator Langhorst

GUESTS: The sign-in sheet will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

MINUTES: **Senator Marley** moved that the committee's minutes for Thursday, March 2, 2006, be approved. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

MINUTES: **Senator Jorgenson** moved that the committee's minutes for Thursday, March 9, 2006, be approved. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.

H 562a This legislation, H 562, was presented by **Representative Tom Loertscher**, District 31. This legislation relates to the use of dealer and manufacturer license plates.

The proposed legislation will amend existing law to provide that dealer and manufacturer plates may be used on laden vehicles operated by the manufacturer, dealer, or his licensed vehicle salesman, in connection with the manufacturer's or dealer's business. It will also provide that a dealer plate may be used on a laden trailer in connection with a manufacturer's or dealer's business to move vehicles or trailers from a manufacturer to a dealer, from dealership to dealership or from a dealership to off-site locations in promotion of the dealer's business, as long as the power unit is properly licensed.

There will be no fiscal impact on the general fund or local governments.

MOTION: **Senator McGee** moved to send H 562a to the floor with a Do Pass Recommendation. **Senator Keough** seconded the motion.

Discussion: **Senator Keough** asked if this bill would qualify for the Consent Calendar?

AMENDED MOTION: **Senator McGee** amended his motion to send H 562a to the Senate Consent Calendar. **Senator Keough** seconded the motion. The motion

carried by **Voice Vote. Senator McGee** will be the Floor sponsor.

HCR 56

Representative Ken Roberts, District 8, was delayed in presenting HCR 56, as scheduled; therefore, the committee discussed HCR 56 without a formal presentation. This legislation states the findings of the Legislature and rejecting pending administrative rules of the Idaho Transportation Department governing overlegal permittee responsibility, travel restrictions, and governing the sale of no longer useful or usable real property.

Idaho Transportation Department (ITD) Budget, Policy and Intergovernmental Relations Manager **Julie Pipal** explained this particular rule had been established to govern over-width permits on the interstate, and within five (5) miles of the boundary of certain cities. Because there were concerns, particularly in North Idaho, about the way ITD had constructed the rule, it was determined the rule should be rejected. This concurrent resolution, HCR 56, has no fiscal impact.

MOTION:

Senator Keough moved that HCR 56 be sent to the floor with a Do Pass Recommendation. **Senator Little** seconded the motion. The motion carried by **Voice Vote. Senator McGee** will be the Floor sponsor.

ADJOURNED:

There being no further business, the committee adjourned at 1:38 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

MINUTES

SENATE TRANSPORTATION COMMITTEE

- DATE:** Tuesday, March 21, 2006
- TIME:** 1:30 p.m.
- PLACE:** Room 426
- MEMBERS PRESENT:** Chairman Brandt, Vice Chairman McGee, Senators Keough, McKenzie, Jorgenson, Marley, and Langhorst
- MEMBERS ABSENT/EXCUSED:** Senators Geddes and Little
- CONVENED:** **Chairman Brandt** convened the meeting at 1:32 p.m.
- GUESTS:** The sign-in sheet will be retained in the Senate committee's office, Room 432, until the end of the 2006 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).
- MINUTES:** **Senator Marley** moved to accept the committee's minutes of Tuesday, March 7, 2006. **Senator Keough** seconded the motion. The motion carried by **Voice Vote**.
- MINUTES:** **Senator Keough** moved to accept the committee's minutes of Tuesday, March 14, 2006, as written. **Senator Marley** seconded the motion. The motion carried by **Voice Vote**.
- H 760aa** **Representative Jana Kemp**, District 16, presented H 760. This legislation relates to motor vehicle law definitions. The purpose of this legislation is to update Idaho's definition of a "moped," as vehicle and transportation technology has changed since the code was originally written. This bill allows for the new technology that meets road safety standards to be licensed.
- A "moped" means a limited-speed motor-driven cycle having both motorized and pedal propulsion that is not capable of propelling the vehicle at a speed in excess of thirty (30) miles per hour on level ground, whether two (2) or three (3) wheels are in contact with the ground during operation.
- If an internal combustion engine is used, the displacement shall not exceed fifty (50) cubic centimeters and the moped shall have a power drive system that functions directly or automatically without clutching or shifting by the operator after the drive system is engaged; or two (2) wheels or three (3) wheels with no pedals, which is powered solely by electrical energy, has an automatic transmission, a motor which produces less than two (2) gross brake horsepower, is capable of propelling the device at a maximum speed of not more than thirty (30) miles per hour on the level. There is no fiscal impact.

MOTION: **Senator Langhorst** moved to send H 760aa to the floor with a Do Pass Recommendation. **Senator McKenzie** seconded the motion.

AMENDED MOTION: **Senator Langhorst** amended his original motion; therefore, H 760aa will be sent to the **Consent Calendar** with a Do Pass Recommendation. **Senator McKenzie** seconded the amended motion. The motion carried by **Voice Vote**.

ADJOURNED: There being no further business, the committee adjourned at 1:39 p.m.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary

MINUTES

SENATE TRANSPORTATION COMMITTEE

DATE: Wednesday, March 29, 2006

TIME: 1:30 p.m.

PLACE: Room 426

MEMBERS PRESENT: Chairman Brandt, Vice Chairman McGee, Senators Geddes, Keough, Little, McKenzie, Jorgenson, and Langhorst

MEMBERS ABSENT/ EXCUSED: Senator Marley

CONVENED: **Chairman Brandt** convened the meeting at 1:32 p.m. The committee thanked their Page, **Jessie McLeod** from Orofino, for her exceptional support during this legislative session.

MINUTES: **Senator Jorgenson** moved to accept the committee's minutes of Tuesday, March 21, 2006, as written. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

H 820 **Representative JoAn Wood**, District 35, presented H 820. She outlined several sections of the legislation.

This legislation sets up the Rural Economic Development and Integrated Freight Transportation Program. It amends Idaho Code, Section 49-203, to authorize the Department of Commerce and Labor as administrator of the program, clarifies funding for economic development and freight shipping, and provides correct terminology. It amends Idaho Code by the addition of a new Section 49-2902, to provide for duties of the interagency working group, provides a correct code reference and re-designates the section. It also provides for distribution of moneys through revolving loans. It amends Section 49-2904, Idaho Code, to direct the Idaho Transportation Department to prepare and update a state rail and intermodal facility system plan, and to provide certain information to the interagency working group. It provides correct terminology and re-designates the section.

Idaho Transportation Department (ITD) Budget, Policy and Intergovernmental Relations Manager **Julie Pipal**, briefly explained the department has no conflict with this legislation, H 820.

Russ Hendricks, representing the Idaho Farm Bureau Federation, briefly testified that the Federation's members use shortline railroads, and they are very important to the members for transportation opportunities. The Federation believes H 820 will be very helpful, and appreciates the committee's support of H 820.

Roy Eiguren, representing the Amalgamated Sugar Company, testified to support this legislation. He explained, the Eastern Idaho Railroad is

very important to the company's operation. Amalgamated Sugar Company operates all across the Southern Idaho plain, and has 1,100 growers who are also the owners of the company. Amalgamated is about a \$500 million per-year operation, and is now the largest producer of domestic sugar beet sugar in the country. Twenty-five (25) years ago, Amalgamated used railroads exclusively to transfer beets from receiving stations, all across Idaho. Today, all of the transportation of beets for Amalgamated is provided by the truck industry, but the company does rely on railroads to provide long-haul services to bring beets from the upper Snake River Valley to the Nampa receiving plant. The railroads are an important part of Amalgamated's transportation networks, and they do a good job. This is good legislation, and will help the shortline railroads.

Neil Colwell, representing the Avista Corporation, a gas and electric utility in Northern Idaho, testified to support H 820.

John Watts, representing the Intermountain Forest Association (IFA) testified to support H 820.

Mr. Watts distributed the following information regarding the Rural Economic Development and Integrated Freight Transportation:

- The objective of H 820 is to preserve and protect Idaho's farm, business and industry freight shipping systems using shortline railroads, trucks and intermodal facilities stimulating rural economic development and job creation.
- The purpose is to create a revolving loan fund using \$6,000,000 for shortline railroads and business partnerships to obtain a no interest or low-interest loan from 1-15 years. Funds can be used to upgrade, expand, rehabilitate equipment, facilities, or shortline rail, truck or intermodal freight shipping infrastructures.
- The process is that an interagency working group would be created with representatives appointed by the directors of the Idaho Transportation Department and the Idaho Department of Commerce to administer the fund. A freight shipping applicant would be required to bring a business partner as a co-applicant demonstrating how the loan would be repaid and lead to improvements in a freight transportation system, thereby, encouraging increased economic growth of rural businesses.
- In 2001, via HCR 17 formed an interorganizational study group lead by the Department of Commerce with assistance from the Idaho Transportation Department, Department of Agriculture, the Public Utilities Commission and freight shippers. The study found that shortline railroads have a very important role in Idaho's farm and factory to market transportation system, and that the shortline railroads need to remain a pivotal shipping mode. The study further found that there needs to be more regional train-truck freight coordination and intermodal facilities to best utilize Idaho's infrastructure and be effective given the

topography and location of Idaho's rural landscape and location of consumer markets on the west coast and in the Midwest. Lastly, the study recommended that the state play a financial role in the preservation and promotion of rural freight shipping to assist business growth.

Mr. Watts also distributed a state of Idaho railroad location map. (See attachment #1).

The Intermountain Forest Association (IFA) submitted written comments to support H 820. They wrote: The Intermountain Forest Association is an organization of wood product manufacturers, timberland, owners and related businesses in the northern Rockies. The Association develops and implements solution-oriented policies aimed at securing a stable and sustainable supply of timber on public and private lands. Because we use truck and rail to move both our raw product from forest to mills and finished product to market, IFA supports H 820. We continue to look for ways to improve the transportation infrastructure; this is one more way to do so.

IFA supports passage of H 820, because it represents a potential tool to help preserve and expand Idaho's freight shipping systems using shortline railroads, trucks, and intermodal facilities as a conduit for rural economic development and job creation.

We also support the appropriation of \$6 million to fund the revolving fund created by this legislation.

MOTION: **Senator Jorgenson** moved to send H 820 to the floor with a Do Pass Recommendation. **Senator McGee** seconded the motion. The motion carried by **Voice Vote**.

ADJOURNED: The committee adjourned sine die.

Senator Skip Brandt
Chairman

Betty Osborn
Secretary