

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, February 05, 2015

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Vick, Den Hartog, Buckner-Webb and Lacey

ABSENT/ EXCUSED: None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Brackett** called the meeting of the Senate Transportation Committee (Committee) to order at 1:33 p.m. and welcomed everyone to the meeting. He gave a special welcome to former Idaho State Senator and teacher, Evan Frasure, who was accompanied by a group of his students from Pocatello's Century High School. **Senator Keough** also warmly welcomed former Senator Frasure as he was the chairman when she first served on the Committee.

MINUTES APPROVAL: **Senator Den Hartog** moved to approve the Minutes of January 22, 2015. **Senator Lacey** seconded the motion. The motion passed by **voice vote**.

GUBERNATORIAL APPOINTMENT: **Chairman Brackett** welcomed Jerry Whitehead, Chairman of the Idaho Transportation Board (ITB), to the Committee and asked him to take the podium to introduce Julie DeLorenzo.

Mr. Whitehead thanked the Chairman and the Committee for allowing him the pleasure of introducing Julie DeLorenzo for her reappointment to ITB. **Mr. Whitehead** said that Ms. DeLorenzo took his place on ITB representing District 3 when he became Chairman. She has done an outstanding job. He agreed with the Governor that she should be reappointed. ITB consists of six members, one representing each district in the State, plus a chairman. It is a nonpartisan board made up of three Democrats and three Republicans. Ms. DeLorenzo is a Democrat who looks out for the transportation and infrastructure needs of all Idahoans. **Mr. Whitehead** ended his introduction by reiterating that Ms. DeLorenzo deserved to be reappointed for a full six year term.

Chairman Brackett thanked Mr. Whitehead for his remarks and welcomed Julie DeLorenzo to the podium. **Ms. DeLorenzo**, a resident of Boise, said it was a pleasure to be before the Committee again, and she was honored to be reappointed. Three-and-one-half years ago, Ms. DeLorenzo committed herself to learning as much as possible about transportation. She was raised in a small coastal town of 2,300 people in Oregon, and she has lived in Boise for 33 years. Consequently, she understands the needs of both small and larger communities. She and her husband raised their family in Boise, and they love this great State. Her son is serving in the United States Air Force.

ITB members appreciate the important role they play in their oversight of the Idaho Transportation Department (ITD). It is a big and complicated position. She was very proud of the reorganization that Director Ness and his team at ITD have conducted in response to the many needs and challenges they have encountered. They have met, and in some cases exceeded, the expectations of ITB. As a fiscal conservative, **Ms. DeLorenzo** appreciated how well ITD utilized limited resources as they maneuvered through those obstacles. **Ms. DeLorenzo** again thanked the Committee and stood for questions.

Senator Buckner-Webb asked what Ms DeLorenzo saw as ITD and ITB's priority. **Ms. DeLorenzo** said it was saving Idahoans' lives. It is a big responsibility. She didn't clearly understand that when she began her first appointment to ITB, but she thoroughly understands it now. "Saving lives" as a focus means improvements to the State's infrastructure in order to make the State's roadways safer and save lives. There were 186 lives lost last year on our roadways; a number that is too large. ITB has adopted new processes to commit funds to safety, the number one priority. It isn't how funds used to be divided up, but it is an approach serving all Idahoans.

Senator Hagedorn commented that ITD, over the last few years, has been a roller-coaster ride with lots of cuts and lots of streamlining. He asked how effective Director Ness has been in carrying out the needs of the State. **Ms. DeLorenzo** said that the director and the ITD staff have done a stellar job. They've cut 110 employees, but at a certain point cuts come to an end. Efficiency is always going to be needed, but funding is the point requiring an answer. **Chairman Brackett** commented that he appreciates Ms. DeLorenzo's answer and likes what has already occurred at ITD; efficiency makes funding easier.

Senator Vick asked Ms. DeLorenzo which traits from her professional skillset as a realtor applied to her ITB work. **Ms. DeLorenzo** said having all the facts is important, listen before speaking, and if you listen long enough, all the facts may be revealed. In short, if you have enough information, reaching a better decision is inevitable. There were no further questions for Ms. DeLorenzo.

Chairman Brackett thanked Ms. DeLorenzo and explained that the Committee would vote on her nomination at a future Committee meeting. **Ms. DeLorenzo** concluded by stating she felt blessed to live in the best state in the country, and she appreciated today's hearing.

H 16:

Chairman Brackett welcomed Representative Sage Dixon to the Committee and asked him to take the podium to present **H 16**.

Representative Dixon said that **H 16** adds a new section to Idaho Code to establish a specialty license plate for the Idaho Friends of the National Rifle Association (NRA). The NRA defends and fosters the Second Amendment rights of all citizens and through the NRA Foundation, raises money for the future of the shooting sports. He explained that Friends of the NRA began operations in 1992 as a way to raise money locally. It has held events and brought like-minded people together from all around the country. **Representative Dixon** referred to the handouts that explained the program and listed grants to Idaho organizations; there was also an image of how the Idaho specialty plate would look. He said that funds raised through the purchase of this plate will remain in Idaho. **Representative Dixon** thanked the Committee and stood for questions.

Senator Lacey pointed out that Idaho had an NRA specialty license plate that did not generate enough sales to stay in circulation. **Representative Dixon** said there had been two plate but the funds did not go to the Friends of the NRA. He is confident this plate will remain in circulation because the sale of the plate will be part of statewide fundraising efforts.

Senator Den Hartog asked Representative Dixon if it was an appropriate role for the State to help a private nonprofit organization fundraise. **Representative Dixon** said a precedence exists with other nonprofit organizations, and this plate is in line with practices already being conducted by the State.

Senator Keough wanted to know if the NRA Foundation would restrict funds raised in Idaho from coming back to Idaho and if that practice was legal. She queried as to how the NRA Foundation would keep Idaho sales separate.

Representative Dixon said he trusted what he had been told, that the funds would be spent in Idaho. **Senator Keough** said that having surety about where the funds go would be a helpful follow-up. With a national organization plate there are always questions about whether the revenue is distributed nationally or just in Idaho. It would be comforting to know that there is a legal document confirming the funds will remain in and benefit Idaho.

MOTION: In light of the assurance that funds raised from sales of this plate will be spent in Idaho, **Senator Nonini** moved that **H 16** be sent to the floor with a **do pass** recommendation. **Senator Vick** seconded the motion.

TESTIMONY: **Chairman Brackett** invited Dawni Jenkins, a senior at Century High School in Pocatello, to the podium to present her testimony. As a hunter, **Ms. Jenkins** supports the NRA and what they do, but she does not think it necessary to create a specialty Idaho license plate for them. She thought license plate funds should be used to promote state organizations like Idaho Fish and Game and not private organizations. **Ms. Jenkins** thanked the Committee and stood for questions. There were no questions for Ms. Jenkins.

Hannah Broswick, also a senior at Century High School, agreed with Ms. Jenkins' testimony. She thought there were better ways to support the NRA rather than taking funds away from state agencies. **Ms. Broswick** thanked the Committee and stood for questions.

Senator Hagedorn asked if Ms. Broswick knew that the State receives more money from the sale of a specialty license plate than it does from the sale of a regular license plate; with a specialty license plate, both the State and the supporting charitable organization receive money. **Ms. Broswick** was unaware of that and for clarity asked if that was the case for regular license plates.

Senator Hagedorn said the State partners with an organization when creating a specialty license plate. A standard license plate costs around \$24, a specialty license plate costs about \$75, and those fees are split between the State and the organization. **Ms. Broswick** thanked Senator Hagedorn for that information.

Senator Vick commented that the answer to Senator Keough's question about distribution of funds could be found on page 4, line 5, of the bill where it states that the funds raised go into the NRA Foundation Idaho State Grant Fund. This fund is restricted to funds distributed in the State of Idaho. **Senator Keough** thanked Senator Vick but wanted to have a copy of the legal document corroborating that statement.

VOTE ON MOTION: **Chairman Brackett** called for a vote on the motion before the Committee. The motion passed by **voice vote**. **Senator Den Hartog** asked to be recorded as voting against the motion. **Senator Nonini** offered to carry the bill on the floor.

PRESENTATION: **Chairman Brackett** invited Ken Burgess of Veritas Advisors, LLP (representing the Community Planning Association of Southwest Idaho (COMPASS)) to the podium to introduce Todd Litman, founder and executive director of the Victoria Transport Policy Institute located in British Columbia, Canada.

Mr. Burgess said that Mr. Litman was in Idaho to make an extended presentation that evening to members of COMPASS. They bring in transportation experts from around the country for presentations regularly. Mr. Litman's policy institute is an independent research organization dedicated to developing innovative solutions to transportation problems. It expands the range of impacts and options considered in transportation decision-making and improves evaluation methods. He makes specialized technical concepts accessible, and his research is used worldwide in transport planning and policy analysis.

Mr. Litman said that he is a policy geek when it comes to understanding trends in transportation. Issues to focus on include changing travel demands and the benefits of meeting those demands; and justifying more investment in transportation and how to overcome opposition. There are many factors that indicate motor vehicle travel is peaking in Idaho. As Idaho's population ages, vehicle travel declines. He described Idaho travel trends and per capita vehicle miles travelled in order to demonstrate the decline.

There are many ways transportation improvements can support economic development. The greatest benefits occur when inadequate transportation constrains economic activities or imposes high costs. Where this occurs, transportation improvements increase productivity. The costs of inadequate transport includes: (1) traffic congestion increases travel times and wastes fuel; (2) restricted bridges limit commerce by increasing travel distances; (3) rough roads and bridge decks increase vehicle wear and tear and jeopardize public safety; (4) delaying road and bridge preservation projects forces the need for more costly restoration projects; and (5) inadequate transport options increase crash risk and reduces tourism.

As reported in the 2011 Governor's Task Force findings, Idaho has a significant and growing transportation funding shortfall. Idaho's roads and bridges are aging and will require an infusion of funds for rehabilitation, reconstruction and replacement. He touched on the findings of the likely voter opinion poll conducted by the McClure Center for Public Policy Research at the University of Idaho. In short, likely voters prefer taxing auto parts and tires and increasing fees on commercial vehicles rather than increasing automobile user fees. They want more revenue put into infrastructure, but they want someone else to be taxed. **Mr. Litman** concluded his remarks and stood for questions. The complete presentation will be on file in the Legislative Services Library following the Session's Sine Die.

Senator Hagedorn responded to Mr. Litman's ending comment and said that opinions vary on how to fund transportation improvements. Rural areas prefer fees be raised and urban areas are comfortable with tax increases. What really resonates with all voters is public safety when presented as saving lives.

Senator Den Hartog asked if the decrease in vehicle miles traveled is related to fuel tax, and what would be a more viable fee structure. **Mr. Litman** suggested new devices that are like toll stickers where transaction costs are tracked. Fuel tax increases are the simplest and politically easiest way to generate the amount of funding needed. Conservative action would be to maintain the State's infrastructure assets.

Senator Vick asked about the Victoria Transport Policy Institute's purpose. **Mr. Litman** said he created it to house his consulting firm.

S 1028:

Chairman Brackett thanked Mr. Litman and Mr. Burgess and welcomed Michael Henderson, Legal Counsel to the Idaho Supreme Court, to the Committee and asked him to take the podium to present **S 1028**.

Mr. Henderson said that the Idaho Constitution requires the Idaho Supreme Court to annually report to the Governor on defects and omissions that have been found in Idaho Code. This bill corrects an omission in Idaho Code § 49-654 regarding speed limits.

ITB has the authority to set reasonable and safe speed limits on interstate and state highways. The maximum speed limit on interstate highways is 75 miles per hour (mph), unless ITD concludes that an increase to 80 mph is in the public interest. Similarly, the maximum speed limit on state highways is 65 mph, which may be increased to 70 mph. Also, speed limits less than the maximum can be set by ITB on interstate and state highways.

Any offense must be defined by statute. The offense of speeding is set in Idaho Code § 49-654(2)(a) where it states that the limit in residential, business or urban districts is 35 mph unless otherwise posted in accordance with Idaho Code § 49-207(2) or (3). These are the sections that allow local authorities to set speed limits in residential, urban and business districts.

However, Idaho Code § 49-654(2)(b) simply says that the limit on interstate highways is 75 mph, provided that it may be increased to 80 mph, and § 49-654(2)(c) states the limit on state highways is 65 mph unless it has been increased to 70 mph. There is no "unless otherwise posted" provision in these subsections that defines exceeding a lower speed limit set by ITB as an infraction.

This bill removes any confusion and permits enforcement by allowing ITB to set reasonable and safe speed limits on interstate and state highways, and it permits the enforcement of those limits. **Mr. Henderson** thanked the Committee and said that Major Kevin Hudgens of the Idaho State Police (ISP) was available to answer any enforcement questions the Committee might have. He then stood for questions.

Senator Vick asked why the same change is not required for the 35 mph postings in § 49-654(2)(a). **Mr. Henderson** said that it already appears under those Idaho Code sections allowing local authorities to set those speed limits.

Senator Winder stated the current language was not the intent of the Legislature and this addition will be helpful.

MOTION:

Senator Winder moved that **S 1028** be sent to the floor with a **do pass** recommendation. **Senator Hagedorn** seconded the motion. The motion passed by **voice vote**. **Senator Winder** offered to carry the bill on the floor.

H 15:

Chairman Brackett thanked Mr. Henderson and welcomed Barry Takeuchi, ITD's Title Program Specialist in its Division of Motor Vehicles, to the podium to present **H 15**.

Mr. Takeuchi said this legislation codifies the title stop program which has existed for decades has operated on policy not statute. Idaho Code § 49-202(2)(i) only provides for a fee for a title stop in the motor vehicle fees section; there is no other reference to the stop process or program found elsewhere in statute.

The title stop program enables someone claiming an interest in a vehicle to be able to prevent its title from being transferred until ownership issues are resolved. Examples where the title stop program is utilized include disputes between heirs over vehicles left in an estate, disputes between former husbands and wives in a divorce, and disputes between former boyfriends and girlfriends. **Mr. Takeuchi** described general procedures for placing a title stop. Governmental agencies may also request title stops, as the Idaho State Tax Commission does when it places tax liens on vehicles.

Since the bill was presented to the House, ITD has been in discussions with the Idaho Bankers Association, the Idaho Credit Union League, the Idaho Automobile Dealers Association, and the insurance industry. Given their concerns, ITD would like the Committee to send **H 15** to the 14th Order for amendment. **Mr. Takeuchi** thanked the Committee and stood for questions.

Senator Nonini noticed that the two Representatives serving his Legislative District voted against **H 15** when it came before the full House for a vote. That made him curious about the industry concerns Mr. Takeuchi alluded to and asked him to be more specific. **Mr. Takeuchi** said the main concern with the language was that the party requesting the title stop had 30 days before they must file a judicial finding. The organizations and industry he heard from thought 30 days was too much time before the owner would be notified. Also, there is no mechanism to remove a title stop. The industries want ITD to be able to remove the title stop if the title is presented and the party requesting the title stop is satisfied. **Senator Nonini** asked if that was the concern of the eight no votes in the House. **Mr. Takeuchi** was unaware of their reasons for voting no. There were no further questions for Mr. Takeuchi.

TESTIMONY:

Chairman Brackett indicated there were a number of people who had signed up to testify on **H 15**. He welcomed the following individuals to the podium to present testimony favoring the addition of an amendment to **H 15**: **Woody Richards**, representing various insurance companies; **Kevin Hanigan**, Executive Director of the Idaho Automobile Dealers Association; and **Trent Wright**, Executive Director of the Idaho Bankers Association.

Senator Winder inquired who would be preparing the amendment(s). **Chairman Brackett** answered that Senator Nonini would work with ITD on amendment(s), and that he appreciated the testimony from the interested industries.

MOTION:

Senator Nonini moved to send **H 15** to the 14th Order for amendment. **Senator Keough** seconded the motion. The motion passed by **voice vote**. **Senator Nonini** said he would carry the bill on the floor.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:52 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary