

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, March 03, 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** convened the meeting of the Senate Transportation Committee (Committee) at 1:32 p.m. and welcomed all in attendance.

PASSED THE GAVEL: To present the first two items on the agenda, Chairman Brackett passed the gavel to Vice Chairman Nonini.

S 1108: **Vice Chairman Nonini** invited Chairman Brackett to present **S 1108**.

Chairman Brackett said that the purpose of this legislation was to facilitate the development of autonomous driven vehicles and to provide for testing those vehicles on Idaho's highways. Title 49, Idaho Code, is amended to add a new chapter, to be known as Chapter 37. **Chairman Brackett** went through each section of Chapter 37 and explained what each did.

Chairman Brackett concluded by stating that autonomous technology is in the research and development stage. Idaho wants to be a business friendly state, and by updating the State laws, autonomous technology could have a significant economic impact with startup companies. Beyond research and development, the next step is testing autonomous driven vehicles. For thorough testing, Idaho's highway system needs to be available. The most important consideration of this legislation is public safety. This bill attempts to include sideboards and provisions that ensure that testing is accomplished in a safe and responsible manner so that public safety is not compromised. **Chairman Brackett** stood for questions.

Senator Hagedorn asked why on page 2, lines 31 to 37, the manufacturer of these vehicles would not be held liable for problems if the owner is injured. **Chairman Brackett** said that the intent is that the original manufacturer should not be held responsible for a conversion package added to the vehicle. **Senator Hagedorn** pursued the topic by asking whether it was an automobile or a conversion. If it has defects and someone is injured due to that defect, why wouldn't they be liable for that defect? **Chairman Brackett** said that is the point where trial lawyers would become involved. If it is a true defect and not faulty installation of a conversion, then they should be responsible.

Senator Lacey asked if it wasn't already legal to use these vehicles on Idaho highways. **Chairman Brackett** said that it was not. There are a number of safety elements for driver assisted vehicles, but none of them are for autonomous vehicles, which means it drives itself. That is not provided for at this time. There were no further questions for Chairman Brackett.

Vice Chairman Nonini invited a number of individuals signed up to testify supporting, opposing, and neutral on the bill.

- TESTIMONY:** **Nick Smoot**, Innovation Collective of Coeur d'Alene, said that in America there are opportunities for entrepreneurship and this legislation shows foresight in a changing world where french fries used to be made by hand and now they're made with computers in their hands. He supports the bill.
- TESTIMONY:** **Representative Steve Hartgen** said that technology is not almost here it is here and that driver error is the major cause of 30,000 fatalities and \$870 billion worth of damage each year, additionally rather than having to build new highways, automatically driven autonomous vehicles will allow a greater density on existing highways. He supports the bill.
- TESTIMONY:** **Josh Hartung**, Harbrick, LLC in Moscow, said that he is working with groups building automated vehicles and the numbers are revolutionary; in the not too distant future, people will be asking what the world was like before they existed. He supports the bill.
- TESTIMONY:** **Mike Brassey**, speaking for his client State Farm Insurance, supports the bill but is concerned with safety and therefore would offer an amendment dealing with recording devices in lieu of witnesses in accidents.
- TESTIMONY:** **Wayne Hoffman**, President of the Idaho Freedom Foundation, worked on the Coeur d'Alene city ordinance on autonomous vehicles; he supports **S1108**.
- TESTIMONY:** **Barbara Jordan** of the Idaho Trial Lawyers Association supports the bill, but they would like more specific language regarding the type of insurance needed.
- TESTIMONY:** **Jeff Sayer**, Director of the State Department of Commerce, said he was fascinated with the discussion and supported the technology industry. He was very excited by all that Nick Smoot had accomplished in Coeur d'Alene and other interested groups in Sandpoint and Moscow. This is an opportunity for Idaho to differentiate itself, and the window of opportunity is now.
- TESTIMONY:** Speaking in opposition to the bill was **Jeremy Pisca** who said he represented the Auto Alliance made up of 12 automobile manufacturer companies and organizations that oppose **S 1108** and believe it is unnecessary. Letters also opposing the legislation that were placed in each Committee members' packet came from the Auto Alliance Driving Innovation and Google.
- TESTIMONY:** **Ed Pemble**, ITD's Drivers Services Manager, said ITD was neutral on **S 1108**.
Following testimony, members of the Committee questioned each presenter until their concerns were fully addressed.
- MOTION:** **Senator Hagedorn** moved to send **S 1108** to the 14th Order for amendment. **Senator Vick** seconded the motion. The motion passed by **voice vote**. **Chairman Brackett** said he would carry the bill on the floor.
Senator Lacey said the bill needed to be taken a step further; he offered to help.
- SCR 102:** **Vice Chairman Nonini** invited Chairman Brackett to present **SCR 102**.
Chairman Brackett said he had asked that **SCR 102** be returned to the Committee for discussion following the previous week's presentation from the Local Highway Technical Assistance Council (LHTAC). LHTAC is the subject of this resolution. LHTAC was established by Legislation in 1994. Its mission is to assist Idaho's local highway jurisdictions – including the cities, counties and highway districts across the State – with utilizing available resources for maintenance and construction of Idaho's local highway system. This resolution asks the Joint Legislative Oversight Committee (JLOC) to direct the Office of Performance Evaluation (OPE) to manage an independent evaluation of LHTAC by a qualified out-of-state consultant. The investigation needs to be unbiased and avoid any conflict of interest; comparable to the evaluation conducted for ITD six or seven years ago. Please note that the Fiscal Note has been revised to reflect the current best study cost estimate of

approximately \$300,000 to conduct the evaluation of LHTAC. The evaluation is expected to be paid out of LHTAC's budget. **Chairman Brackett** stood for questions.

Senator Keough was concerned that the cost of the study was coming out of LHTAC's budget. She thought that much money could curtail some local highway projects and asked if there were other sources of funds. **Chairman Brackett** said the alternative was to take it from the State's General Fund.

TESTIMONY: **Vice Chairman Nonini** invited Stuart Davis, Executive Director of the Idaho Association of Highway Districts (IAHD) to offer testimony. **Mr. Davis** said that LHTAC had succeeded beyond expectations and operates at or below overhead. He supports **SCR 102**. **Mr. Davis** stood for questions.

Senator Lacey asked if LHTAC could afford taking \$300,000 from their budget. **Mr. Davis** said it depended on how the setup was structured. If it is a multiyear obligation, LHTAC could budget part of the money for the study. They may not be able to carry the whole budget.

Senator Hagedorn asked if Federal Highway Administration reimbursement funds might be available to pay for the study. **Mr. Davis** deferred the question to Jeff Miles, Interim Administrator of LHTAC. **Mr. Miles** said those reimbursements are for direct charges on highway projects. The only funds available were the sales tax, but they had already been expended. **Senator Hagedorn** thanked Mr. Miles for his follow-up answering the questions raised during his previous presentation before the Committee.

Chairman Brackett closed by acknowledging there are lingering questions about LHTAC. He thinks an evaluation will alleviate doubts and allow LHTAC to move forward with its good work. He welcomed additional information on the cost of the study from OPE, and he is open to exploring other avenues than those already discussed.

MOTION: **Senator Vick** moved to send **SCR 102** to the floor with a **do pass** recommendation. **Senator Hagedorn** seconded the motion. The motion passed by **voice vote**. **Senators Keough, Buckner-Webb** and **Lacey** asked to be recorded as voting **nay**. **Chairman Brackett** said he would carry the resolution on the floor.

PASSED THE GAVEL: Vice Chairman Nonini passed the gavel back to Chairman Brackett.

MINUTES APPROVAL: **Senator Winder** moved to approve the Minutes of February 5, 2015. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**.

ADJOURNED: **Chairman Brackett** adjourned the meeting at 3:00 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary