

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, January 14, 2016

TIME: 1:30 P.M.

PLACE: Room WW53

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

ABSENT/ EXCUSED: Senator Buckner-Webb

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 1:30 p.m.

INTRODUCTIONS: **Chairman Brackett** thanked the Committee's former Vice Chairman, Senator Nonini, for his past leadership on the Committee, and welcomed the new Vice Chairman, Senator Hagedorn.

Chairman Brackett welcomed Committee Page Hannah Sturtevant and asked her to take the podium and introduce herself. **Miss Sturtevant** thanked Chairman Brackett and said that she is a senior at Rocky Mountain High School in Meridian. She has been taking photography classes in school the past four years and has started her own photography business complete with a website. Following graduation she plans on attending Boise State University, where she will major in business and minor in political science. She thanked Chairman Brackett and the Committee for the opportunity to serve in the Idaho Senate this year.

REPORT DISTRIBUTION: **Chairman Brackett** explained that the Idaho Transportation Department (ITD) had emailed each Committee member a copy of ITD's assessment detailing how they collected additional funds, how those funds were spent, and their ongoing maintenance needs. The assessment is compliant with the requirements of 2015 H 312aaS,aaS that addressed the need to increase transportation funding for local jurisdictions by raising registration fees and motor fuel taxes.

ADMINISTRATIVE RULES: **Chairman Brackett** asked Vice Chairman Hagedorn to explain the Committee's process for reviewing administrative rules.

Vice Chairman Hagedorn referred Committee members to the administrative rules book located on their desks. He noted the pending rules in need of review: one from the Idaho State Police (ISP); three from the Idaho State Tax Commission; and nine from ITD, in addition to one ITD fee rule. **Vice Chairman Hagedorn** said the administrative rules process would be to review various rules at as many as three Committee hearings. **Vice Chairman Hagedorn** asked that Committee members read and contact the departments directly for clarification.

Chairman Brackett thanked Vice Chairman Hagedorn for overseeing the Committee's administrative rules. **Chairman Brackett** asked Committee members to work with Vice Chairman Hagedorn during the review process. He indicated the rules are important and need to be reviewed in a timely fashion.

PRESENTATION: **Chairman Brackett** welcomed Stuart Davis, Executive Director of the Idaho Association of Highway Districts (IAHD), Seth Grigg of the Association of Idaho Cities (AIC), Caitlin Rusche of the Idaho Association of Counties (IAC) and Jeff Miles of the Local Highway Technical Assistance Council (LHTAC). He asked them to present the work they have done to implement 2015 H 312aaS,aaS.

Mr. Davis thanked the Committee and indicated he would make the presentation on behalf of IAHD, AIC and IAC; Mr. Miles would present LHTAC's update.

Mr. Davis explained that he was going to touch on the local jurisdictions, all of which are grateful for the revenue stream provided through 2015 H 312aaS,aaS.

Mr. Davis said he had not understood how important and impactful this legislation would be to local highway entities at the time he and Wayne Hammon, CEO of the Idaho Association of General Contractors, worked on its enactment.

Idaho has 289 highway jurisdictions that encompass 192 cities covering 6,000 miles of roads; 33 counties covering 14,700 miles of roads; 64 highway districts covering 12,300 miles of roads; and 2,375 bridges. The local system is funded through property taxes, user fees, and federal dollars.

The implementation of 2015 H 312aaS,aaS has yielded a 30 percent increase in funding to local highway jurisdictions from the Highway Distribution Account (HDA). The 2015 legislation mandated that these funds be spent on roadway maintenance or new projects. The legislation included a change in the annual reporting form to show how much money had been spent. The information is posted on the economic research page on ITD's website. Extensive outreach and education programs are part of the legislative requirements.

Mr. Davis turned to the long-term aspects of 2015 H 312aaS,aaS and noted the many public projects currently going on. There is a renewed spirit of cooperation between agencies, especially with multi-agency planning, and an ease on a statewide level of reporting transportation expenditures. Citizens are playing a critical role in project planning through outreach, an approach modeled after the Ada County Highway District (ACHD). Because of specific data and information being collected, requesting future funding for expenditures will be easier with this new accounting system.

Mr. Davis concluded by stating that local highway jurisdictions are eager to move forward with the new funding and to incorporate the 2015 H 312aaS,aaS models into their budgeting processes. Continued education and outreach is a big step in solving transportation problems by keeping the public better informed of the progress being made and the issues that are still out there. **Mr. Davis** thanked the Committee and stood for questions.

Chairman Brackett thanked Mr. Davis and called for questions from the Committee.

Senator Vick asked if there was a website to which he could direct constituents with questions on licensing. **Mr. Davis** said he would send him the web address of the page detailing how funds are spent. Information is listed by jurisdiction and indicates exactly how much property tax is being spent. **Senator Vick** asked if the website showed projects located near citizens' homes. **Mr. Davis** said that ITD projects are listed by location, but he was not certain whether projects of other local jurisdictions were listed that way. **Chairman Brackett** offered that his impression was that all jurisdictions report information, including local jurisdictions. He believed that information would flow through LHTAC. **Mr. Davis** added that the Committee would be pleased to learn how much has been done.

Senator Lacey thought these funds were intended for maintenance only and not for new projects; he asked if that was correct. **Chairman Brackett** thought Senator Lacey was correct in that the funds were directed to maintenance, but there was some flexibility. **Mr. Davis** said that 2015 H 312aaS,aaS funds were for maintenance and projects. He said that in future presentations he would retract the impression that the funds were for new projects. He said contracts were not defined. He read from the bill about replacement projects. **Chairman Brackett** thanked Senator Lacey for bringing this up. There is some flexibility, but the focus is on repair and replacement.

Senator Hagedorn said that they were on a good path with 289 transportation jurisdictions. He asked if any small jurisdictions participated. **Mr. Davis** said small communities generally partner with neighboring jurisdictions to reduce planning costs. Many highway districts and counties have to work together. Fortunately, education has taken place over the last few years thanks to LHTAC.

Senator Hagedorn wanted to know if local jurisdictions consolidate five-year plans similar to ITD's Statewide Transportation Improvement Program (STIP). **Mr. Davis** responded that LHTAC prepares local jurisdictions' transportation plans. They are available from the jurisdictions. Some larger jurisdictions have placed them online. **Chairman Brackett** asked if LHTAC was the clearing house for those plans. **Mr. Davis** said that was correct and added that jurisdictions can't get federal funds for projects in Idaho without a transportation plan. There were no further questions for Mr. Davis.

PRESENTATION: **Chairman Brackett** thanked Mr. Davis and invited Jeff Miles, Administrator of LHTAC, to take the podium.

Mr. Miles said he had been with LHTAC for five years and had previously worked for ITD. He explained that the LHTAC handouts in the Committee packets included LHTAC's report on 2015 H 312aaS,aaS and a list of the new revenue for local highway entities as a result of last year's legislation. There has only been one disbursement at this time, in the first quarter, and the amounts are much less than had been requested.

First quarter disbursement was \$3.68 million. Future annual disbursements to local highway jurisdictions is estimated at \$35.8 million. The 2011 Governor's Task Force reported that \$262 million, of which \$107 million are earmarked for local jurisdictions, was needed for "operation, preservation and restoration" of Idaho's current transportation infrastructure. The \$35.8 million falls far short of the \$107 million specified for maintenance of the local system.

Mr. Miles continued by explaining that each local entity must provide their program data based on a specific timetable. Education and training is the key to the program's success. There have been 12 workshops held throughout the state. Presentations were made at association conferences and meetings. Webinars and individual outreach programs were also made available. LHTAC has reached 149 individual jurisdictions just through in-person outreach. **Mr. Miles** thanked the Committee and stood for questions.

Chairman Brackett thanked Mr. Miles for his presentation and called for questions from the Committee. There were no questions for Mr. Miles.

ADJOURNED: With no other business before the Committee, **Chairman Brackett** adjourned the meeting at 2:08 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary