

MINUTES  
**SENATE TRANSPORTATION COMMITTEE**

**DATE:** Tuesday, February 09, 2016

**TIME:** 1:30 P.M.

**PLACE:** Room WW53

**MEMBERS PRESENT:** Chairman Brackett, Vice Chairman Hagedorn, Senators Keough, Winder, Nonini, 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 1:35 p.m.

**RS 24162** **Chairman Brackett** welcomed Senator Patrick to the Committee and asked him to present **RS 24162**.

**Senator Patrick** said this legislation exempts new automobiles manufactured without the cutout to hold a front license plate from having to display a front license plate. **Senator Patrick** said he would stand for questions.

**Senator Den Hartog** wondered if he wanted this legislation to replace legislation he had brought previously. **Senator Patrick** said he was redoing the fiscal note on the previous legislation and that he wanted to do both, so he was doing both.

**Senator Buckner-Webb** asked if law enforcement had an opinion of this legislation. **Senator Patrick** said they had commented that this could potentially interfere with their ability to find stolen vehicles, but in most cases the front plates have already been removed from stolen cars. In general, law enforcement does not like the bill.

**Senator Nonini** asked if it was pretty easy to determine if a car had been originally manufactured without a bracket for a front license plate. He wanted to know if there was a list of cars manufactured that way or what group made that determination. **Senator Patrick** said that if you have a car that old, you could qualify for an "old-timer plate" and law enforcement would recognize that you had one. There were no further questions for Senator Patrick.

**MOTION:** **Vice Chairman Hagedorn** moved to send **RS 24162** to print. **Senator Vick** seconded the motion. The motion passed by **voice vote**.

**S 1246** **Chairman Brackett** thanked Senator Patrick and announced that Jerry Whitehead, Chairman of the Idaho Transportation Board (ITB), was running late so the Committee would move to the next agenda item and come back to **S 1246**.

**PASSED THE GAVEL:** Chairman Brackett passed the gavel to Vice Chairman Hagedorn.

**S 1261** **Vice Chairman Hagedorn** invited Chairman Brackett to present **S 1261**.

**Chairman Brackett** said **S 1261** implements part of the federal Fixing American Surface Transportation (FAST) Act. This bill amends Idaho Code § 49-1010 to change the legal length of a stinger-steered automobile transporter from the current length of 75 feet to 80 feet. The FAST Act also modifies the allowed overhang for automobile transporter combinations. The current statute is being modified from a combined 7-foot overhang limit, front and rear combined, to match the new overhang limits of 4 feet for the front overhang and 6 feet for the rear overhang for a total of 10 feet. It also clarifies the overhang lengths for boat transportation combinations of 3 feet for a front overhang and 4 feet for a rear overhang.

**Chairman Brackett** continued that **S 1261** aligns State statute with the new federal regulations in the FAST Act. Industry pushed for this change. The auto-hauler industry wishes to utilize these combinations nationally for moving automobiles, but also for the movement of general commodities and cargo. It provides for flexibility to allow trucks to back-haul with cargo other than automobiles. This will result in more productive and efficient transportation of goods and commodities, which will lead to more economic opportunities. It allows industry to reduce the excessive empty miles that the auto transport industry currently experiences. **Chairman Brackett** said he would stand for questions, but there were none.

**MOTION:**

**Senator Keough** moved to send **S 1261** to the floor with a **do pass** recommendation. **Senator Winder** seconded the motion. The motion passed by **voice vote**. **Chairman Brackett** said he would carry the bill on the floor.

**PASSED THE  
GAVEL:**

Vice Chairman Hagedorn returned the gavel to Chairman Brackett.

**S 1263**

**Chairman Brackett** thanked Vice Chairman Hagedorn and asked Senator Winder to present **S 1263**.

**Senator Winder** said he had considered bringing this legislation for the last couple of years. There is an ongoing need for funding in the State transportation system, and when the need was not solved last year he decided to go ahead with a federal Grant Anticipation Revenue Vehicle (GARVEE) bonding bill this session. **S 1263** is a way to spend some of the authorized funds still available to Idaho. It allows up to \$100 million for GARVEE funded rights-of-way for the original corridors listed in Idaho Code. It does not require ITB to do anything. It is just a tool for them to use to acquire rights-of-way. In **Senator Winder's** opinion, it is easier to buy property when it is available at a lower rate than it is to wait for an unknown future rate. It is simple and easy for ITB to administer and they are not required to spend a dime. He said that all sideboards are still in play. If there is an important right-of-way to acquire, this gives the ITB the ability to do that. GARVEE has given the State of Idaho opportunities to avoid fatalities across the State. **Senator Winder** listed a number of improvements on Idaho's roadway systems made possible because of GARVEE funding. He concluded by simply saying that GARVEE provided safe roads. **Senator Winder** said he would stand for questions.

**Senator Lacey** asked why it was tied to the purchase of rights-of-way only and wouldn't it be a better use of the funds if applied to building new roads. **Senator Winder** said it probably would be, but this enables the Idaho Transportation Department (ITD) to be protected from the cost of rights-of-way so they can use construction funds for construction. When considering long-term planning needs, rights-of-way are essential.

**TESTIMONY:**

**Senator Vick** asked about the list of original corridors in Idaho Code and wanted to know how ITD decides which projects would be prioritized. **Senator Winder** offered that Blake Rindlisbacher, ITD's District 6 Engineer, would be able to answer his questions. **Mr. Rindlisbacher** said that ITD takes many factors into consideration including whether the project would get a return on investment capitalization. Several GARVEE projects benefitted from a significant reduction in fatalities because safety is one of the factors ITD would be looking for. **Senator Vick** asked if ITD works off a fatality reduction list currently. **Mr. Rindlisbacher** said ITD has a five-year projects funding plan for building bridges, restorations, enhancing mobility, economic stability and determining wise use of funding. **Senator Vick** asked if there was a list where rights-of-way might be acquired. **Mr. Rindlisbacher** said there was not a potential list for them. They would look at the thirteen corridors, of which seven would be potential candidates for this legislation. They would look at opportunities at those corridors and present them to ITB.

**Chairman Brackett** asked what would be a list of factors for a good return on investment. **Mr. Rindlisbacher** suggested the following: 1. keeping roads in good condition; 2. strategic goals; and 3. safety (i.e., looking at a route's history of crashes to plan improvements to reduce fatalities). GARVEE was great for significantly reducing fatalities. He suggested picking a strategy that would help eliminate fatalities. **Chairman Brackett** asked if safety could result in economic opportunity. **Mr. Rindlisbacher** said that economic opportunity can be compromised if trucks are too long to navigate current roadways; improving roads would make travel easier. The same would occur for oversized or overlegal loads. Congestion affects mobility and slows travel time. Envision being stuck going up a steep grade passing a truck, another factor that affects economic opportunity.

**Senator Den Hartog** asked if the return on investment would need to be changed when purchasing rights-of-way. **Mr. Rindlisbacher** said he did not know how to make that calculation. Purchasing a right-of-way will not move ITD to building roads and currently there is not a model for calculating that. He said they are not opposed to it, but they don't currently do it so it does not affect return on investment.

**TESTIMONY:**

**Senator Vick** offered that the Legislature had a bill to work on bridges and roads using GARVEE funds a few years ago, so as a new priority how would this work? **Senator Winder** asked if someone from ITD could respond. **Mollie McCarty**, ITD's Governmental Affairs Manager, offered that Senator Hagedorn sponsored that legislation two or three Legislative Sessions ago, but it was not successful. She was unclear what Senator Vick was asking about as far as ITD priorities either from a legislative or ITB perspective. If it is the latter, she said Mr. Rindlisbacher gave some perspective on that with regard to return on investment. ITD would not be in a position to comment on the legislative perspective. The inquiry was not pursued further.

**TESTIMONY:**

**Senator Winder** asked if Dave Tolman, ITD's Administrator of its Division of Administration, could tell the Committee how much money is being spent to retire the debt on the existing GARVEE bonds. **Mr. Tolman** replied that the current annual debt service for this fiscal year is just over \$58 million; because of refinancing two series of bonds, next year that amount drops to \$57.4 million annually. **Senator Winder** said that under the original GARVEE bill there was a sideboard of restrictions on the percentage of the federal funds that could be used to retire GARVEE debt. He wanted to know how much of the current fund could be used and how much of the new funds are going to be dedicated to debt service. **Mr. Tolman** answered that the statutory limit in the enabling legislation for GARVEE was 30 percent of ITD's federal funds. Currently, ITD's at 21 percent of its federal obligation authority. Once the FAST Act gets up to the full amount of what the FAST Act is intended to do, ITD would be at about 19 percent. As the FAST Act grows, ITD's percentage drops because its debt service is relatively stable. **Senator Winder** asked how much money is remaining as a potential gap between what is remaining as committed and bonded versus the \$998 million of the original GARVEE authorization. **Mr. Tolman** responded that the amount of bonding authority granted by the Legislature to date was given in six different transactions over the prior years for a total of \$840 million; that amount plus interest earned on the bond proceeds as ITD was spending it down provided \$857.5 million in projects funding. The \$998 million was a budget submitted by ITD, but they were able to come in under that budget. The only real legislative limit is the 30 percent of federal funds. If that 30 percent were to be met, debt service could rise to \$90 million annually and, depending on interest rates, the capacity would be whatever ITD could finance debt at in the future; it could be in excess of \$100 million. **Senator Winder** said that concluded his questions.

**MOTION:**

**Vice Chairman Hagedorn** moved to send **S 1263** to the floor with a **do pass** recommendation. **Senator Keough** seconded the motion.

**Senator Lacey** commented that he has a problem with the State purchasing property just to sit on it until the State can afford to build on it in the future. Meanwhile the State is paying on it as it sits there.

**Vice Chairman Hagedorn** explained that this bill gives ITB a tool they don't currently have that they can use or leave alone. They don't now have a chance to pick up a piece of property that may become available. This provides them the latitude to make that decision. The Committee relies on them to make really good decisions and he, for one, trusts their decisions. **Vice Chairman Hagedorn** believes that providing ITB with this tool is a good decision.

**Senator Winder** said he agreed with Senator Lacey that it's too bad not to have an ongoing GARVEE program that includes construction, but there is not the will in the Legislature to move forward with that. **Senator Winder** is confident ITB will use the tool wisely.

**Senator Den Hartog** noted that according to the fiscal note, \$250,000 is required for ITD to administer these funds. She asked if this was above and beyond ITD's current budget. **Senator Winder** responded that the sponsor came up with an amount of what it might cost to staff a person and some support. It will likely be significantly less than this number. It is dedicated funds and will have some impact. They will not be hiring new staff, but it will cost them some money.

The motion passed by **voice vote**. **Senator Vick** asked to be recorded as voting against the motion. **Senator Winder** offered to carry the bill on the floor.

**S 1246**

**Chairman Brackett** thanked Senator Winder. With Jerry Whitehead in Committee, **Chairman Brackett** asked him to present **S 1246**.

**Mr. Whitehead** apologized for not being available earlier and said that ITD's director is an employee of ITB. This legislation clarifies that point. It removes current language in Idaho Code § 40-503 that states specific reasons a director of ITD may be terminated. Eliminating that language clarifies that the director is an at-will employee who serves at the pleasure of ITB. It will apply to future directors and does not affect the current director who is doing an excellent job. The changes in wording are consistent with the wording in other state departments. **Mr. Whitehead** thanked the Committee and stood for questions.

**Vice Chairman Hagedorn** asked if the current language complicated litigation issues that the State faced with the previous ITD director, and would this legislation solve that from occurring again? **Mr. Whitehead** answered that those words caused problems and cost a lot of money. This bill will eliminate that.

**Senator Nonini** asked what the State's former counsel thought of this change. **Mr. Whitehead** said their counsel thought removing the language was a good thing. He continued that a response had been given to Senator Burgoyne right afterwards and had the language not been in code, the court would have ruled otherwise. **Senator Nonini** asked if someone from the Attorney General's office was going to testify. **Chairman Brackett** answered that was not going to happen.

**Senator Winder** commented that having served as Chairman of ITB, these types of issues were discussed and the board members were told that the director served at the pleasure of the board. When the problem arose, it came back to that claim, but it turned out to not be the case. The director should be independent from the administrative and legislative branches of government.

**MOTION:** **Senator Winder** moved to send **S 1246** to the floor with a **do pass** recommendation. **Vice Chairman Hagedorn** seconded the motion. The motion passed by **voice vote**. **Vice Chairman Hagedorn** offered to carry the bill on the floor.

**RS 24339** **Chairman Brackett** thanked Mr. Whitehead and asked Robert Compan of the Farmers Insurance Group Companies to present **RS 24339**.

**Mr. Compan** said legislation had been passed in 2012 to address the uninsured motorist population in Idaho and to develop a method of transferring information electronically from insurance companies to law enforcement. In this RS, Idaho Code § 49-1234 establishes an online insurance verification system relating to motor vehicle insurance coverage. This bill clarifies records and information available for verification and adds a new section in Idaho Code § 41-1338. **Mr. Compan** asked the Committee to send this RS to print and stood for questions.

**Vice Chairman Hagedorn** asked if the Idaho Department of Insurance had been involved in drafting this legislation. **Mr. Compan** said they had. There were no other questions for Mr. Compan.

**MOTION:** **Senator Nonini** moved to send **RS 24339** to print. **Senator Vick** seconded the motion. The motion passed by **voice vote**.

**ADJOURNED:** Before adjournment, **Chairman Brackett** recognized ITB member Julie DeLorenzo. With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:25 p.m.

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Senator Brackett  
Chair

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Gaye Bennett  
Secretary