

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Tuesday, January 17, 2017

SUBJECT	DESCRIPTION	PRESENTER
INTRODUCTIONS	Members of the Committee Committee Page Tess Jensen of Caldwell High School	Chairman Brackett
ADMINISTRATIVE RULES	Distribution of the Committee's Administrative Rules book and discussion of the review process.	Vice Chairman Nonini
DISTRIBUTION OF REPORT	Summary and distribution of the Department of Motor Vehicles' annual legislative report.	Mollie McCarty , Idaho Transportation Department
UPDATE ON PROJECT	Report on the completion of the Main Street Station, Boise's underground transit center owned and operated by Valley Regional Transit.	Ken Burgess , Veritas Advisors

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett
Vice Chairman Nonini
Sen Keough
Sen Winder
Sen Hagedorn

Sen Den Hartog
Sen Lodge
Sen Harris
Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, January 17, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

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

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 first meeting of the Senate Transportation Committee (Committee) at 1:30 p.m.

INTRODUCTIONS: **Chairman Brackett** then asked the new members of the Committee to introduce themselves.

Senator Harris thanked Chairman Brackett and said he represented Legislative District 32 that includes the counties of Bear Lake, Bonneville, Caribou, Franklin, Oneida and Teton. **Senator Harris** continued by saying he was excited to be on the Committee where he hopes to achieve many things.

Senator Lodge thanked the Idaho Transportation Department (ITD) staff members she had met prior to the Committee convening for the work ITD has done on the freeway from Caldwell to Boise. She said she was looking forward to working with ITD and others to try to alleviate some of highway concerns.

Chairman Brackett welcomed the Committee's Page, Tess Jensen, a senior at Caldwell High School. He commented that Ms. Jensen commutes from Caldwell each day by utilizing public transportation.

Ms. Jensen thanked Chairman Brackett and stated that she was a senior at Caldwell High School. She was already accepted at BYU-Idaho where she is planning on majoring in International Studies. **Ms. Jensen** said she felt honored to be selected to serve as a Senate Page. **Ms. Jensen** concluded by stating she was happy to be assigned to the Committee.

ADMINISTRATIVE RULES: **Chairman Brackett** explained that oversight of the Committee's Administrative Rules would be undertaken by Vice Chairman Nonini and asked Vice Chairman Nonini to explain the Committee's rule review process.

Vice Chairman Nonini thanked the Chairman and stated that each Committee member had a copy of the 11 transportation related Administrative Rules. There were three Idaho State Police (ISP) rules, two State Tax Commission rules, and six ITD rules. **Vice Chairman Nonini** continued that he, Senator Den Hartog, and Senator Harris had met with the State Tax Commission and they were satisfied with the explanatory discussion that ensued.

The goal of the Committee is to complete the review process by January 31. With that in mind, **Vice Chairman Nonini** said the Committee would take up the ISP rules at the next Committee hearing. The remaining ITD rules would be considered on January 31. **Vice Chairman Nonini** concluded by thanking Senators Den Hartog and Harris for their help, and he stood for questions. There were no Committee questions regarding the Administrative Rules process.

**REPORT
DISTRIBUTION:**

Chairman Brackett welcomed Vince Trimboli, Manager of ITD's Office of Communications, and asked him to present the Department of Motor Vehicle's (DMV) annual legislative report.

Mr. Trimboli said the first item was the new look of Idaho's driver's license. It alone has cut out about 90 percent of the paperwork required of the previous process. This should not be confused with the future issuance of Real ID cards. ITD has received a one-year extension for Real ID that will get them through October of this year. ITD will need one more extension in order to complete all their requirements. They hope to be fully compliant by the beginning of next year.

Mr. Trimboli continued with a concern legislators had in the past regarding retiring the mainframe. It was originally planned to be done by 2020, but because of significant changes at DMV they can move up the date to 2018. DMV as a whole has reorganized the way they do business. One major change has been in technology where instead of developing software to provide a specific function, they can now take off-the-shelf software products and customize them to fulfill their business needs.

DMV recognizes they need to establish better relationships with county assessors and sheriffs who are the front-line people they work with in order to better deliver their services to the citizens of Idaho. DMV has convened a County Engagement Team (CET) as a primary communications group. It is comprised of four assessors and four sheriffs as a sounding board to determine the best way to roll-out all of DMV's new products outlined in the report that are going to be coming online in the next several years. It is not just about retiring the mainframe but DMV is always going to be using new technology in order to give better customer service. The CET is a long-term group whose membership will change through a rotation process; he is currently a member of the team indicating the importance of communications.

DMV's accomplishments of the last year include: (1) streamlining the processing of credit card transactions; (2) making better sense of their data so that it can be used better in everyday practices; and (3) continuing to add weigh-in options across the state that recognize economic opportunities.

Chairman Brackett thanked Mr. Trimboli and asked about needing one more extension for Real ID. He wanted to know what was left to complete in order for Idaho to be Real ID compliant. **Mr. Trimboli** said he was not fully aware of all the details, but he did know that ITD needs to be able to issue a complete report to the U.S. Department of Homeland Security (DHS) that includes all the security enhancements required. **Mr. Trimboli** said that was the very last requirement; there were a couple of others that he would provide to the Committee members when he returns to ITD. **Chairman Brackett** followed-up with whether ITD anticipated any changes with regard to Real ID given the change of administrations. **Mr. Trimboli** replied that they don't anticipate changes. Receiving the extension this year was easy and they expect the same to be the case with the next extension. ITD anticipates issuing Real IDs in 2018.

Senator Hagedorn asked where DMV stands with issuing license plates to trailers. For example, how many have been issued, what is the total revenue that has been generated, and what are ITD's activities in advertising that information? **Mr. Trimboli** said he would have to get back to Senator Hagedorn and the other Committee members with that information.

**UPDATE ON
PROJECT:**

Chairman Brackett welcomed Ken Burgess, a partner in Veritas Advisors, a government affairs company in Boise, and asked him to report on the completion of the Main Street Station public transportation hub in downtown Boise.

Mr. Burgess began by extending an invitation to tour this new facility following ITD's annual report at a Joint Committee Meeting of the Transportation Committees on Tuesday, January 24, 2017. A bus will be waiting to take all members to the facility and return them to the Capitol steps. The invitation was being offered through one of his clients, the Community Planning Association of Southwest Idaho (COMPASS). COMPASS is an association of local governments working together to plan for the future of Idaho's Treasure Valley; it is the local Metropolitan Planning Organization (MPO) for Ada and Canyon counties. MPOs are organized to make sure road building authorities in a region work together on a long-range plan to understand which projects need to be built within their jurisdiction. It is a federal designation given to an area that reaches a population of 50,000 people. **Mr. Burgess** listed the MPOs in Idaho and said that Twin Falls may soon be designated as an MPO. He said he would be happy to provide any information or answer questions about MPOs.

One of the members of the COMPASS board is Valley Regional Transit which is the public transportation system in the Treasure Valley. The Main Street Station is the multi-modal center that has been built in the basement of the new Gardner Building on the corner of 8th and Main Streets in Boise. This project has taken many years because there were issues with all five suggested locations around the city.

The project was a result of a 2005 Congressional earmark that had to be extended to accommodate the timeframe of finding the right location. Its eventual location was the result of a public/private partnership that allowed the station to locate in the Gardner Building. **Mr. Burgess** concluded his remarks by saying the design has been given awards around the region.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:00 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, January 19, 2017

SUBJECT	DESCRIPTION	PRESENTER
ADMINISTRATIVE RULES	IDAPA Title 11 - Idaho State Police (ISP)	Vice Chairman Nonini
Docket No. 11-1301-1601	<u>The Motor Carrier Rules</u> : Adopts by reference the Federal Hazardous Material Regulations and Federal Motor Carrier Safety Regulations.	Captain Tim Horn, ISP
Docket No. 11-1301-1602	<u>The Motor Carrier Rules</u> : Previous to this docket, ISP had not adopted the section of the Federal Motor Carrier Safety Regulations identifying necessary training for the safe operation of driver's operating long combination vehicles.	Captain Tim Horn, ISP
Docket No. 11-1301-1603	<u>The Motor Carrier Rules</u> : With some exceptions, by December 18, 2017 all motor carriers and drivers currently completing paper record of duty logs will be required to use Electronic Logging Devices (ELD) in compliance with federal regulations.	Captain Tim Horn, ISP

NOTE TO COMMITTEE MEMBERS:

Please bring your Administrative Rules notebook with you to Committee.

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett
Vice Chairman Nonini
Sen Keough
Sen Winder

Sen Den Hartog
Sen Lodge
Sen Harris
Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
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Sen Hagedorn

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, January 19, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

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

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 1:32 p.m. **Chairman Brackett** said that today's meeting would review the Idaho State Police (ISP) Administrative Rules. Vice Chairman Nonini would act as chairman for rules review.

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

ADMINISTRATIVE RULES: **Vice Chairman Nonini** said the Committee would hear three ISP rules and all three would be presented by Captain Tim Horn of ISP's Commercial Vehicle Safety Unit.

DOCKET NO. 11-1301-1601 **THE MOTOR CARRIER RULES:** **Captain Horn** began by saying that Idaho adopted this rule last year. During that process it was pointed out that the Idaho Code section pertaining to transporting hazardous material violations should have been listed in the rule. Idaho Code § 49-2212 says that every time there is a change in federal regulations, Idaho adopts those changes. This section should have been referenced in the rule.

MOTION: **Senator Hagedorn** moved that **Docket No. 11-1301-1601** be adopted. The motion was seconded by **Senator Buckner-Webb**. The motion passed by unanimous **voice vote**.

DOCKET NO. 11-1301-1602 **THE MOTOR CARRIER RULES:** **Captain Horn** said this rule has to do with long combination vehicles (LCV). ISP adopts the Federal Motor Carrier Safety Regulations (FMCSR) by reference, but it has not adopted 49 CFR § 380 that identifies the special training requirements for the safe operation of LCVs. An LCV is a combination of a tractor and two or three trailers requiring a more skilled driver for safe operation. Other than completing a written exam, Idaho currently has no driver training requirements to receive an LCV endorsement. Once the written exam is completed, the Idaho commercial driver's license (CDL) holder receives an LCV endorsement and can begin driving LCVs with no behind-the-wheel driver training. Now that Idaho's over-legal weight permit limits are up to 129,000 pounds, there will be an increase in LCVs. Therefore, adoption of this federal section would assist in the safe operation of LCVs on Idaho roadways by ensuring drivers have sufficient training with a qualified instructor before being released to operate LCVs. This will affect most over-legal permits issued by the Idaho Transportation Department (ITD).

Captain Horn continued by explaining that this rule effects drivers who want to operate an LCV and carriers who want to employ LCV drivers. To be certified a driver must pass a written skills test and a behind-the-wheel test administered by a certified instructor. There is no timeframe for the course, but the following topics must be covered: orientation, basic operation, safe operating practices, advanced operation, and non-driving activities.

There are requirements to qualify as a certified instructor, which includes having certified motor vehicle driving experience for at least two years. A carrier can have an instructor in their own company as long as they meet the two-year requirement. There is a grandfather clause, but a driver would have had to meet the test qualifications in 2005 in order to utilize it. **Captain Horn** concluded that ISP just wants people to get the training they need to drive these big trucks.

Senator Buckner-Webb asked if she understood correctly that a driver does not need a prescribed number of hours of experience before they can operate a double or triple LCV. **Captain Horn** confirmed she was correct.

Senator Den Hartog wanted to know if the classes were currently being offered around the State or if classes were still in the planning stage. **Captain Horn** said that driving schools were currently conducting classes. Carriers have said they would not allow new drivers behind the wheel of their LCVs without appropriate training. **Senator Den Hartog** noted the narrow grandfather clause qualifications **Captain Horn** mentioned in his presentation and concluded there was no effective clause, and therefore, existing drivers must get certified. **Captain Horn** said she was correct that essentially there was no grandfather clause.

Vice Chairman Nonini welcomed Ramon Hobdey-Sanchez, ITD's Government Affairs Program Specialist, to testify. **Mr. Hobdey-Sanchez** informed the Committee that ITD worked closely with ISP during ITD's extensive negotiated rule process in mid-2016. In two of ITD's rules they specifically referenced 49 CFR § 380 and heard no opposition to this federal code reference.

MOTION:

Senator Hagedorn moved that **Docket No. 11-1301-1602** be adopted. The motion was seconded by **Senator Den Hartog**. The motion passed by unanimous **voice vote**.

**DOCKET NO.
11-1301-1603**

THE MOTOR CARRIER RULES: **Captain Horn** said this pending rule adopts a federal mandate, but there are no changes for drivers or carriers who meet the current exemptions under records of duty status (RODS), as listed in 49 CFR § 395 and in Idaho Code § 67-2901B(2). The Idaho Trucking Association supports this rule.

Under §395, commercial vehicle drivers are required to keep track of their RODS by logging any changes in a paper log book or in an electronic logging device (ELD). Unfortunately, paper log books have provided opportunities to falsely record longer driving hours. An ELD helps prevent filing false reports by synchronizing with the vehicle's engine. An ELD automatically records a driver's driving time and other aspects of the driver's hours-of-service records.

The rule is intended to help create a safer work environment for drivers by making it easier and faster to accurately track, manage, and share RODS data. There are three phase-in periods toward being fully compliant: 1.) "Awareness and Transition" which began on February 16, 2016 and runs through December 18, 2017; 2.) "Phased-In Compliance" beginning on December 18, 2017 and ending December 16, 2019; and 3.) "Full Compliance" which begins after December 16, 2019.

Captain Horn concluded that if this rule is rejected, Idaho interstate carriers would have to either comply on their own or be in violation when leaving Idaho, which could result in a disruption of commerce. Also, because Idaho would not be in compliance with federal regulation, it could potentially cause a reduction in federal funding.

Senator Harris commented that some Idahoans are concerned that ELDs are harming their sleeping habits and, therefore, hurting their schedules. **Captain Horn** replied that an ELD is no different than a paper log book. When a driver stops to refuel or to have a meal, they are off-duty which can be manually indicated on the device. However, a driver is given only one opportunity to go into the ELD later to change the log. **Senator Harris** asked if ELDs sync with engines in 2000 and newer vehicles. **Captain Horn** confirmed his statement. However, under those circumstances an ELD would be plugged into the engine control module (ECM) and operate in the same way as it would in a newer syncing vehicles.

Senator Hagedorn asked if there was any push-back in transitioning to ELDs. **Captain Horn** said there were no comments when they were first released, but he has heard comments from other states. He continued that an ELD is no different than a paper log book but it tracks a driver's time more accurately.

Senator Den Hartog asked if drivers who keep their engines running while they sleep have to manually correct the reading on an ELD. **Captain Horn** said they simply push the button on the ELD to move the reading into sleeper mode during that time.

MOTION:

Senator Hagedorn moved that **Docket No. 11-1301-1603** be adopted. The motion was seconded by **Senator Keough**. The motion passed by **voice vote**. **Senator Harris** asked to be recorded as voting nay.

PASSED THE GAVEL:

Vice Chairman Nonini passed the gavel back to Chairman Brackett.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:09 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

JOINT
**SENATE TRANSPORTATION COMMITTEE
AND
HOUSE TRANSPORTATION & DEFENSE COMMITTEE**
1:30 P.M.
Lincoln Auditorium WW02
Tuesday, January 24, 2017

SUBJECT	DESCRIPTION	PRESENTER
PRESENTATION	Annual Idaho Transportation Department (ITD) Update	Brian Ness , Director of ITD
Tour of Main Street Station	Following the Director's update, members of the Transportation Committees are invited to board a Valley Transit Bus at the 8th Street Senate-side entrance to the Capitol in order to tour Boise's new public transportation hub, Main Street Station. <u>Departure time:</u> between 2:15 p.m. and 2:30 p.m. Members will be returned to the Capitol front steps by 3:00 p.m.	Ken Burgess , COMPASS and Veritas Advisors

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb
Sen Hagedorn	

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
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MINUTES
JOINT MEETING
SENATE TRANSPORTATION COMMITTEE
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Tuesday, January 24, 2017

TIME: 1:30 P.M.

PLACE: Lincoln Auditorium WW02

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Den Hartog, Lodge, Harris, and Buckner-Webb
Chairman Palmer, Vice Chairman Shepherd, Representatives Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris (21), Holtzclaw, Monks, DeMordaunt, Syme, King, Wintrow, and Gannon

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 joint meeting of the House and Senate Transportation Committees (Committees) at 1:32 p.m. **Chairman Brackett** offered a special welcome to Mollie McCarty, Government Affairs Manager of the Idaho Transportation Department (ITD).

PRESENTATION: **Chairman Brackett** said that ITD Director Brian Ness would present his annual report to the legislature.

Mr. Ness began his presentation saying he would focus on three topics: 1.) an overview of the Governor's budget recommendation for Fiscal Year 2018 (FY18); 2.) a report on ITD's positive changes; and 3.) ITD's future focus.

Governor's Budget: To address the increasing needs of Idaho's transportation system, the Governor's recommendation for FY18 was \$723.9 million. Although Idaho is the country's third fastest growing state, ITD has an annual shortfall in state and local transportation revenue of \$543 million. Of that, ITD needs \$262 million just to keep the existing transportation system stable. In 2015, H 312 reduced that shortfall by one third.

Positive Changes: ITD had made fundamental changes over the last seven years. They put customers first, use innovation at all levels, and serve the public, not themselves. ITD has become a model that is being copied by other transportation departments across the country.

ITD makes its transportation investment decisions based on safety, mobility, and economic opportunity; they select projects that reduce accidents, remove bottlenecks, and improve Idaho's economy. Strategically focusing on projects that provide the maximum return, ITD has earned 30 national awards for excellence and innovation; it is one of the top three finalists for Idaho's Innovative Company of the Year Award of which no other state agency has ever been a finalist.

Future Focus: Building on the foundation of excellence already created at ITD, **Mr. Ness** said ITD was implementing a staffing plan that will serve them for the next quarter century and meet the challenges of changing technology. ITD is working with national organization, the Idaho Congressional Delegation, and the Trump Administration to ensure rural states maintain their share of federal funding. ITD is providing an environment where their employees have ownership of the direction ITD is moving, and they have the freedom to innovate and suggest ways to improve ITD's operations. In short, ITD has fewer layers of bureaucracy, a smaller workforce, higher productivity, better morale, and a compensation plan that pays based on skills and abilities. ITD calls this staffing plan Horizontal Career Paths

ITD was continuing to build on the success of the last seven years and preparing to meet the transportation needs of Idaho. ITD is investing the new user-fee revenue authorized in 2016 and selecting projects that maximize return on investment. With ITD's focus on employee development and innovation, they are providing a higher level of service with fewer, more highly skilled employees. **Mr. Ness** concluded by saying if all ITD's changes were considered as a whole, they would add up to big improvements and innovation that is saving millions of dollars for Idaho taxpayers.

Representative Gannon thanked ITD on their efficiency in dealing with the large pile-up of snow on the highways. **Mr. Ness** said they have received many good compliments on snow removal.

Representative Hixon asked if ITD was prepared for the new Trump Administration's focus on improving infrastructure throughout the country. **Mr. Ness** said ITD has only had contact with the transition team and not with the administration directly. The Trump Administration model to improve infrastructure is based on private development. That type of model may work well in densely populated areas of the country, but does not bode well for rural areas like Idaho where private funding opportunities are not as readily available. Based on ITD's input, however, the Trump Administration is rethinking their model.

Representative Hixon asked if other states were rethinking the lateral employee movement model that ITD practices. **Mr. Ness** said that governments base their pay scales on the number of employees a manager supervises. ITD's model measures performance based on individuals and on teams. He continued that other agencies in Idaho and in other state and local jurisdictions are reluctant to change because of the time and effort in making major changes. ITD could be a model for other agencies in this area.

Senator Hagedorn said that the legislature had passed legislation requiring trailers be licensed. These permanent license plates bring in significant annual revenue. He wanted to know how ITD was approaching businesses to promote this one-time expense. **Mr. Ness** said that there had been a slight increase in revenue year after year, but now there has been a decrease. He believes it is a result of other states providing a similar service. **Senator Hagedorn** was concerned that ITD's marketing of the plate was not reaching a company's strategic decision maker who would see this as a great business deal. He believes this program could bring in millions of dollars. **Mr. Ness** said he would look into the issue.

TOUR:

Chairman Brackett welcomed Ken Burgess of Veritas Advisors to explain the procedures to tour Boise's new public transportation hub, Main Street Station. **Mr. Burgess** explained that members need only follow the steps outside the auditorium to board the Valley Transit Bus located on the corner of Eighth and State Streets. The tour would take about 20 minutes and members would be brought back to the Capitol by 3:00 p.m.

ADJOURNED: With no further business before the joint Committees, **Chairman Brackett** adjourned the meeting at 2:00 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, January 26, 2017

SUBJECT	DESCRIPTION	PRESENTER
ADMINISTRATIVE RULES	IDAPA Title 39 - Idaho Transportation Department (ITD) IDAPA Title 35 - Idaho State Tax Commission (ISTC)	Vice Chairman Nonini
Docket No. <u>39-0311-1601</u>	<u>Rules Governing Overlegal Permittee Responsibility and Travel Restrictions: Addresses truck permitting for non-reducible, oversized loads traveling on U.S. 12 in northern Idaho.</u>	Alan Frew , ITD's Motor Vehicles Administrator
Docket No. <u>35-0105-1601</u>	<u>Idaho Motor Fuels Tax Administrative Rules: Changes to Rules 003, 004, 311, and 400. Rule 140 will be deleted with two of its subsections added to Rule 130.</u>	Don Williams , ISTC's Tax Policy Specialist
Docket No. <u>35-0105-1602</u>	<u>Idaho Motor Fuels Tax Administrative Rules: Changes to Rules 130 and 140.</u>	Don Williams , ISTC's Tax Policy Specialist
Minutes	Approve the Minutes of the January 17, 2017 meeting.	Vice Chairman Nonini and Senator Lodge

NOTE TO COMMITTEE MEMBERS:

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If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb
Sen Hagedorn	

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, January 26, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

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

ABSENT/ EXCUSED: Senator Lodge

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. He shared that the Committee would be reviewing Administrative Rules.

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

ADMINISTRATIVE RULES: **Vice Chairman Nonini** said the Administrative Rules being heard were from the Idaho Transportation Department (ITD) and the Idaho State Tax Commission (ISTC). **Vice Chairman Nonini** invited Alan Frew, ITD's Administrator of the Department of Motor Vehicles (DMV), to present the first docket.

DOCKET NO. 39-0311-1601: **Rules Governing Overlegal Permittee Responsibility and Travel Restrictions: Addresses truck permitting for non-reducible, oversized loads traveling on U.S. 12 in northern Idaho. Mr. Frew** said this rule addresses truck overlegal permitting for non-reducible, oversized loads operating on a section of U.S. Highway 12 that runs through the Nez Perce-Clearwater Forest in North Idaho. A federal court decision ordered that the U.S. Forest Service (USFS) regulate certain oversize loads traveling on this section of the highway. USFS determined which oversize loads would be subject to their review based on the following criteria: 1.) loads more than 16 feet wide or 150 feet long; 2.) loads that take more than 12 hours to travel through that section of the highway; or 3.) loads requiring changes beyond routine maintenance to the roadway or adjacent vegetation in order to facilitate passage through that section of the highway.

USFS's criteria has forced companies to use longer routes in Idaho and other states, costing time, jobs, dollars, and efficiencies; it has negatively impacted the economic vitality of that region. Because these vehicles have been unable to travel on U.S. Highway 12, ITD has chosen to adopt USFS's written interim criteria placing the State in the best possible position to act once the federal litigation is resolved.

Mr. Frew added that ITD was proposing six changes focusing on additional safety requirements for overlegal loads on this section of U.S. Highway 12: 1.) ambulance and/or law enforcement escorts to ensure public safety; 2.) safety lighting on trucks; 3.) the loads cannot use turnouts designated for recreational vehicles for non-emergency parking; 4.) time of travel will be addressed; 5.) required safety inspection prior to issuing a permit; and 6.) limit travel to one load at a time on this section of highway. ITD brought this rule because U.S. Highway 12 has been effectively closed to certain "oversize" loads as a result of the federal court ruling.

In closing, **Mr. Frew** stated that the rule prohibits taking more than 12 hours to travel through this section of U.S. Highway 12 and prohibits road modifications without USFS consent. For loads exceeding the USFS criteria dimensions, ITD would offer a conditional permit addressing operational safety concerns. USFS still reviews ITD issued permits as required by the federal court. **Mr. Frew** concluded by stating that the rule addresses safety concerns expressed by the federal litigants.

Senator Hagedorn asked if U.S. Highway 12 existed because of a USFS easement or if it was on state-owned land. **Mr. Frew** replied that ITD had been granted an easement for U.S. Highway 12 to exist.

TESTIMONY:

Vice Chairman Nonini thanked Mr. Frew and invited David Doeringsfeld, General Manager of the Port of Lewiston, to testify.

Mr. Doeringsfeld testified in support of the rule change, stating it would benefit the public by aligning ITD's overlegal permit with USFS's criteria and provide additional safety requirements for oversized loads on U.S. Highway 12. He also confirmed that the inability to ship oversized goods on U.S. Highway 12 has had a negative impact on the Port of Lewiston and the economy of North Central Idaho. They are unable to contract with any shippers and/or manufacturers wanting to off-load cargo over 16-feet in width for transport on U.S. Highway 12. He concluded by urging the Committee to adopt the rule.

MOTION:

Senator Hagedorn moved that **Docket No. 39-0311-1601** be adopted. **Senator Den Hartog** seconded the motion. The motion passed by **voice vote**.

PASSED THE GAVEL:

Vice Chairman Nonini returned the gavel to Chairman Brackett.

MINUTES APPROVAL:

Vice Chairman Nonini moved to accept the Minutes of January 17, 2017. **Senator Winder** seconded the motion. The motion passed by **voice vote**.

PASSED THE GAVEL:

Chairman Brackett passed the gavel to Vice Chairman Nonini.

DOCKET NO. 35-0105-1601:

Vice Chairman Nonini welcomed Don Williams, Idaho State Tax Commission (ISTC) Tax Policy Specialist, and asked him to present the tax rules.

Idaho Motor Fuels Tax Administrative Rules: Changes to Rules 003, 004, 311, and 400. Rule 140 will be deleted with two of its subsections added to Rule 130. **Mr. Williams** began by stating that all the changes in the tax rules in this docket were not negotiated. He went through each of the five Motor Fuels Tax Rules changed by this docket.

Rule 003: This tax rule was changed to add statutory references and clarity.

Rule 004: These were housekeeping changes that include updating electronic filing of records and adopting the diesel gallon equivalent as specified in H 132 (2015).

Rule 140: This tax rule was deleted because of outdated language. Subsections 140.01 and 140.04 were moved to Rule 130 as described in the next docket.

Rule 311: This tax rule's governing documents for bonding licensees was updated. A reference was changed from an International Fuel Tax Agreement (IFTA) reference to Idaho Code § 63-2470, as mandated in H 43 (2015).

Rule 400: The title of this tax rule was shortened and references added for clarity. Any portions deleted were cited elsewhere. Subsection 1d and portions of Subsection 5 were deleted because they referenced the gaseous fuel decal which was eliminated in H 132 (2015).

MOTION: **Senator Harris** moved that **Docket No. 35-0105-1601** be adopted. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**.

DOCKET NO. 35-0105-1602: **Idaho Motor Fuels Tax Administrative Rules: Changes to Rules 130 and 140. Mr. Williams** said this rule was negotiated with industry. It explains fuel distributor reporting requirements and it removes outdated language. In subsection 4, the Supplemental Report was deleted because no one used it. In conclusion, he added that the rule also eliminated grammatical errors.

MOTION: **Senator Harris** moved that **Docket No. 35-0105-1602** be adopted. **Senator Keough** seconded the motion. The motion passed by **voice vote**.

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

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

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Tuesday, January 31, 2017

SUBJECT	DESCRIPTION	PRESENTER
MINUTES	Approve the Minutes of January 19, 2017	Senator Winder and Senator Harris
ADMINISTRATIVE RULES	IDAPA Title 39 – Idaho Transportation Department (ITD) Rules	Vice Chairman Nonini
Docket No. <u>39-0306-1601</u>	<u>Rules Governing Allowable Vehicle Size</u> : Ensures congruency with the FAST Act and 2016 Senate Bill 1261 to establish permissible load overhang.	Ramon Hobdey-Sanchez , ITD's Government Affairs Program Specialist
Docket No. <u>39-0312-1601</u>	<u>Rules Governing Safety Requirements of Overlegal Permits</u> : Addresses vehicle inspections, driver training and brakes.	Ramon Hobdey-Sanchez , ITD's Government Affairs Program Specialist
Docket No. <u>39-0315-1601</u>	<u>Rules Governing Excess Weight Permits for Reducible Loads</u> : Establishes a statewide permitting system by addressing trucks and 129,000 pound commercial motor vehicles.	Ramon Hobdey-Sanchez , ITD's Government Affairs Program Specialist
Docket No. <u>39-0322-1601</u>	<u>Rules Governing Overlegal Permits for Extra-Length, Excess Weight, and Up to 129,000 Pound Vehicle Combinations</u> : Commercial motor vehicle brakes must meet and be maintained to federal standards in effect at the time it was manufactured.	Ramon Hobdey-Sanchez , ITD's Government Affairs Program Specialist
Docket No. <u>39-0323-1601</u>	<u>Rules Governing Revocation of Overlegal Permits</u> : Revocation of a permit for non-compliance if the motor carrier violated a federal out-of-service order.	Ramon Hobdey-Sanchez , ITD's Government Affairs Program Specialist

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb
Sen Hagedorn	

COMMITTEE SECRETARY

Gaye Bennett
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MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, January 31, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Winder, Hagedorn, Den Hartog, Lodge, Harris, and Buckner-Webb

ABSENT/ EXCUSED: Senator Keough

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.

MINUTES APPROVAL: **Senator Winder** moved that the Minutes of January 19, 2017 be approved. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**.

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

ADMINISTRATIVE RULES: **Vice Chairman Nonini** invited Ramon Hobdey-Sanchez, Idaho Transportation Department's (ITD) Government Affairs Program Specialist, to present the five ITD Administrative Rules before the Committee.

DOCKET NO. 39-0306-1601 **Rules Governing Allowable Vehicle Size: Ensures congruency with the FAST Act and 2016 Senate Bill 1261 to establish permissible load overhang.** **Mr. Hobdey-Sanchez** said the changes to this rule were made to ensure congruency between 2015's federal Fixing America's Surface Transportation (FAST) Act and S 1261 (2016) that established permissible load overhang. The specific details of this rule are in Idaho Code § 49-1010. For efficiency and to avoid confusion, ITD has referenced the pertinent Idaho Code section in this administrative rule. **Mr. Hobdey-Sanchez** concluded by stating that Idaho Code allows for the following load overhangs: front of boat transporter no more than three feet; rear of boat transporter no more than four feet; front of auto transporter no more than four feet; and rear of auto transporter no more than six feet.

MOTION: **Senator Hagedorn** made a motion to accept **Docket No. 39-0306-1601**. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**.

DOCKET NO. 39-0312-1601 **Rules Governing Safety Requirements of Overlegal Permits: Addresses vehicle inspections, driver training, and brakes.** **Mr. Hobdey-Sanchez** said that the Idaho State Police (ISP) suggested that federal regulations be specifically referenced when identifying owner inspections, driver training, and brake systems.

Periodic vehicle inspections fall under federal regulation 49 CFR Part 396.17, to wit: 1.) every commercial vehicle must be inspected; 2.) motor carriers must inspect all commercial motor vehicles (CMV) subject to their control; 3.) motor carriers cannot use a CMV unless an inspection is passed at least once in 12 months; 4.) motor carriers may perform the required annual inspection; as a self-inspection; 5.) motor carriers may use the services of others if qualified inspectors are employed; 6.) CMVs passing inspection performed by any state government or equivalent jurisdiction also meets the requirement; 7.) motor carriers are responsible to ensure all parts/accessories are intended for use in interstate commerce; and 8.) failure to properly perform annual inspections shall cause motor carriers to be subject to a penalty.

Inspector qualifications fall under federal regulation 49 CFR Part 396.19, to wit: 1.) individuals performing inspections must understand all inspection criteria, must have mastered the areas being inspected, and must be capable of performing an inspection based on experience and training; and 2.) motor carriers must retain evidence of an individual's qualifications to be an inspector.

Special training requirements fall under federal regulation 49 CFR Part 380, to wit: 1.) a driver operating a licensed commercial vehicle (LCV) shall successfully complete a driver training program; 2.) a driver must pass knowledge and skills tests; and 3.) an LCV training program requires knowing the different qualifications for handling double and/or triple motor vehicle combinations.

Mr. Hobdey-Sanchez concluded by adding the rule modification also requires that brakes meet the Federal Motor Carrier Safety Administration Regulations and the brakes be maintained at the Federal Motor Vehicle Safety Standards No. 121 in effect at the time the vehicle was manufactured.

Senator Hagedorn was concerned that there was no date associated with the version of federal regulations being approved. He pointed out that without a date, changes can occur at the federal level in the future and because there was no date of the version of federal regulations inserted in Idaho regulations, Idaho would be obligated to enforce any changes to those federal regulations. He recommended that in future rules when incorporating federal regulations by reference, a date of the version being incorporated be included in the Administrative Rule. **Mr. Hobdey-Sanchez** thanked Senator Hagedorn for bringing this oversight to his attention.

MOTION:

Senator Den Hartog made a motion to accept **Docket No. 39-0312-1601**. **Senator Harris** seconded the motion. The motion passed by **voice vote**.

**DOCKET NO.
39-0315-1601**

Rules Governing Excess Weight Permits for Reducible Loads: Establishes a statewide permitting system by addressing trucks and 129,000 pound commercial motor vehicles. **Mr. Hobdey-Sanchez** said this rule promotes a statewide truck permitting system and addresses 129,000 pound CMVs used on the State's Interstate System, as passed last year in S 1229 (2016). In order to promote intrastate surface transportation safety, intermodal commerce, law enforcement efficiencies, and reduced administrative costs, commercial vehicle combinations in excess of 80,000 pounds will be permitted on local highways when a local highway jurisdiction has agreed to participate in ITD's permitting process.

Senator Harris pointed out the rule states that no vehicle combination weighing more than 105,500 pounds shall operate on local highways. He wanted to know how this would affect hay haulers as their trucks weigh-in at 106,000 pounds. **Mr. Hobdey-Sanchez** replied it would only affect hay haulers if their local jurisdiction wanted to participate in the permitting system.

Senator Hagedorn was curious about permitting 129,000 pound trucks on the Interstate Connector (I-84) that is maintained and operated by ITD up to where I-84 ends and a local highway jurisdiction begins. **Mr. Hobdey-Sanchez** said this rule in no way affects local highway jurisdictions.

MOTION:

Senator Hagedorn made a motion to accept **Docket No. 39-0315-1601**. **Senator Lodge** seconded the motion. The motion passed by **voice vote**.

**DOCKET NO.
39-0322-1601**

Rules Governing Overlegal Permits for Extra-Length, Excess Weight, and Up to 129,000 Pound Vehicle Combinations: Commercial motor vehicle brakes must meet and be maintained to federal standards in effect at the time it was manufactured. **Mr. Hobdey-Sanchez** said the changes address CMV brakes. Brakes on all CMVs must meet and be maintained to the Federal Motor Vehicle Safety Standards No. 121 in effect at the time the CMV was manufactured. It included new language addressing driver training requirements in accordance with 49 CFR Part 380. This rule also deals with reducible loads exceeding 80,000 pounds. In conclusion, **Mr. Hobdey-Sanchez** pointed out that because Idaho designated Interstate Highways as 129,000 pound truck routes, this rule includes ITD's modified permit maps reflecting the addition of these "Black-Coded Routes".

MOTION:

Senator Buckner-Webb made a motion to accept **Docket No. 39-0322-1601**. **Senator Winder** seconded the motion. The motion passed by **voice vote**.

**DOCKET NO.
39-0323-1601**

Rules Governing Revocation of Overlegal Permits: Revocation of a permit for non-compliance if the motor carrier violated a federal out-of-service order. **Mr. Hobdey-Sanchez** said this rule addresses instances in which a permit can be revoked for non-compliance if the motor carrier has violated an out-of-service order under the Federal Motor Carrier Safety Administration Regulations.

MOTION:

Senator Harris made a motion to accept **Docket No. 39-0323-1601**. **Senator Den Hartog** seconded the motion. The motion passed by **voice vote**.

**PASSED THE
GAVEL:**

Vice Chairman Nonini returned the gavel to Chairman Brackett.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:59 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, February 02, 2017

SUBJECT	DESCRIPTION	PRESENTER
MINUTES	Approve the Minutes of the January 24, 2017 joint committee meeting.	Senator Hagedorn and Senator Den Hartog
<u>RS25078</u>	Authorizes equipment dealers to move implements of husbandry during daylight hours without a permit.	Roger Batt, Western Equipment Dealers
<u>RS25122</u>	Provides a practical inspection method for the enforcement of the illegal use of dyed diesel fuel.	Chairman Brackett

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett

Vice Chairman Nonini

Sen Keough

Sen Winder

Sen Hagedorn

Sen Den Hartog

Sen Lodge

Sen Harris

Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett

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MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, February 02, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Den Hartog, Lodge, and Harris

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 1:33 p.m.

MINUTES APPROVAL: **Senator Hagedorn** moved that the Minutes of January 24, 2017 be approved. **Senator Den Hartog** seconded the motion. The motion passed by **voice vote**.

RS 25078: **Authorizes equipment dealers to move implements of husbandry during daylight hours without a permit. Chairman Brackett** invited Roger Batt, representing the Western Equipment Dealers Association, to present **RS 25078**.

Mr. Batt stated that this legislation amends the definition of "implements of husbandry" by eliminating the words "when being incidentally operated," meaning when the equipment is being transported from one farm operation to another. That language limited the equipment's performance; equipment is considered as such whether it's being transported or not.

Mr. Batt continued that the main issue of the legislation is to allow equipment dealers the same permit exemption as farmers when moving equipment during daylight hours for repairs and maintenance. For dealers, the exemption would also include leases and rentals of "implements of husbandry". The dealers' association held two meetings with the Idaho Transportation Department (ITD) on this issue. **Mr. Batt** concluded by asking the Committee to support this legislation by sending it to print.

Senator Winder was concerned about the Fiscal Note on the Statement of Purpose (SOP) accompanying the legislation. He commented that Fiscal Notes are being handled differently this year, when "no fiscal impact" is stated on a Fiscal Note, a reason must be stated as to why there is no impact. **Mr. Batt** was unaware of this new requirement and would visit with ITD to determine the impact and update the Fiscal Note.

Senator Harris reflected on a section of the legislation that seemed to suggest that tractors were only considered "implements of husbandry" when they were hitched to another piece of farm equipment. He wanted to know if a tractor by itself was considered an "implement of husbandry". **Mr. Batt** replied that as he understood it, the term would apply to a stand alone tractor.

MOTION: **Senator Lodge** moved to send **RS 25078** to print. **Senator Den Hartog** seconded the motion. The motion passed by **voice vote**.

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

RS 25122: Provides a practical inspection method for the enforcement of the illegal use of dyed diesel fuel. Vice Chairman Nonini invited Chairman Brackett to present **RS 25122**.

Chairman Brackett said that this was follow-up legislation to H 312a (2015) and was also the result of significant input on the use and illegal use of dyed diesel. Many of the issues brought forth last year by the Idaho Farm Bureau and other organizations are addressed in this legislation.

Chairman Brackett continued that the purpose of this legislation is to provide a practical inspection method to ensure compliance with current Idaho motor fuels tax law at a minimum of disruption to the public. Farm and government vehicles are exempt from paying fuels taxes on diesel, which is why dyed diesel exists. All other vehicles must pay the 24.4 cents per gallon of diesel fuel in federal tax and 32 cents per gallon in State tax. He concluded by pointing out the Fiscal Impact of this legislation is positive, but no one knows the extent to which dyed diesel is illegally used.

Senator Winder commented that he believed this legislation would likely raise a lot of public comment.

MOTION: **Senator Winder** moved to send **RS 25122** to print. **Senator Hagedorn** seconded the motion. The motion passed by **voice vote**.

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

ADJOURNED: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:45 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Tuesday, February 07, 2017

SUBJECT	DESCRIPTION	PRESENTER
<u>RS25143</u>	Removes the dyed fuels exemption from the motor fuels tax, and does away with dyed diesel fuel keeping clear diesel fuel in the marketplace for all users.	Jerry Deckard, CapitolWest
<u>RS25126</u>	Provides additional duties to the Idaho Transportation Board to develop a highway access management system.	Senator Winder
<u>RS25127</u>	Revises eminent domain proceedings.	Senator Winder
<u>S 1043</u>	Authorizes equipment dealers to move implements of husbandry during daylight hours without a permit. Revised Fiscal Impact statement added to SOP.	Roger Batt, Western Equipment Dealers

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb
Sen Hagedorn	

COMMITTEE SECRETARY

Gaye Bennett
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MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, February 07, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Senators Winder, Den Hartog, Lodge, Harris, and Buckner-Webb

ABSENT/ EXCUSED: Vice Chairman Nonini, Senators Keough and Hagedorn

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.

RS 25143 **Removes the dyed fuels exemption from the motor fuels tax and does away with dyed diesel fuel keeping clear diesel fuel in the marketplace for all users. Chairman Brackett** invited Jerry Deckard, CapitolWest Public Policy Group, to present **RS 25143**.

Mr. Deckard said this legislation simply eliminates red dyed diesel fuel that is not currently taxed. All diesel fuel users will purchase clear diesel fuel, which is taxed, and at the end of each quarter, those who qualify for the fuel tax exemption can file for reimbursement.

MOTION: **Senator Winder** moved to send **RS 25143** to print. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**. **Senator Harris** asked to be recorded as voting nay.

RS 25126 **Provides additional duties to the Idaho Transportation Board to develop a highway access management system. Chairman Brackett** asked Senator Winder to present **RS 25126**.

Senator Winder said this legislation is part of an industry effort to deal with highway management and access issues. As communities grow, there is a need to establish a comprehensive development plan when dealing with these issues.

CONFLICT OF INTEREST: **Senator Winder** declared that because of his professional business dealings with planning and zoning commissions there could be a potential conflict of interest under Senate Rule 39(H).

MOTION: **Senator Den Hartog** moved to send **RS 25126** to print. **Senator Winder** seconded the motion. The motion passed by **voice vote**.

RS 25127 **Revises eminent domain proceedings. Chairman Brackett** asked Senator Winder to present **RS 25127**.

Senator Winder reminded the Committee that this is his third attempt at introducing similar legislation in prior sessions. This is an attempt to get agreeable legislative language from all the stakeholders involved. The subject needs to be discussed as it is an issue of fairness for property rights in Idaho.

CONFLICT OF INTEREST: **Senator Winder** declared that because of his professional business dealings he could have a potential conflict of interest under Senate Rule 39(H).

MOTION: **Senator Lodge** moved to send **RS 25127** to print. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**.

S 1043 **Authorizes equipment dealers to move 'implements of husbandry' during daylight hours without a permit.** **Chairman Brackett** asked Roger Batt, representing the Western Equipment Dealers Association, to present **S 1043**.

Mr. Batt said that currently in Idaho Code, 'implements of husbandry' are defined as such when they are being transported from one farm to another. In the agricultural community, equipment being transported, used in the field, or sitting idle in the yard are all considered 'implements of husbandry'. Striking the language "when being incidentally operated" clarifies the definition of 'implements of husbandry'.

In 2011, the Legislature exempted farmers or their designated agents from having to have a permit to transport equipment from one farm to another, to or from a farm to a repair or maintenance facility, and to and from a farm to a dealership, auction house or other facility during daylight hours. Equipment dealers were not added to this exemption, so **S 1043** exempts them as well. This legislation also includes that any lease or rental equipment be exempt.

Mr. Batt stated that after a meeting with the Idaho Transportation Department (ITD) following the Committee's print hearing on this legislation, it was determined there would be a \$54,250 negative fiscal impact to ITD if this bill becomes law.

In conclusion, **Mr. Batt** said he had provided inaccurate information to a question raised by Senator Harris at the Committee's print hearing. The question was whether a stand-alone tractor not pulling other farm equipment was consider an 'implement of husbandry'. **Mr. Batt** said that tractors have to be attached to a piece of equipment to be consider an 'implement of husbandry'. However, tractors without an attachment are exempt on page 3 of this legislation.

TESTIMONY: **Lance Giles**, representing Catepillar, Inc., said this bill was good for the agriculture industry and Catepillar strongly supports its passage.

Suzanne Budge, representing John Deere, offered support for the legislation.

MOTION: **Senator Lodge** moved to send **S 1043** to the Senate floor with a **do-pass** recommendation. **Senator Den Hartog** seconded the motion. The motion passed by **voice vote**. **Chairman Brackett** assigned Senator Den Hartog to be the floor sponsor of the bill.

ADJOURNMENT: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:49 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, February 09, 2017

SUBJECT	DESCRIPTION	PRESENTER
MINUTES	Approve Minutes of January 26, 2017.	Senator Keough and Senator Buckner-Webb
	Approve Minutes of February 2, 2017.	Vice Chairman Nonini and Senator Harris
<u>RS25221</u>	Real ID licenses in Idaho.	Senator Vick
<u>RS25238</u>	Creates Idaho Rotary International specialty license plate.	Senator Martin
<u>RS25218</u>	Adds guidelines for license plate visibility.	Morgan Howard, Intern for Senator Johnson
<u>RS25223</u>	Provides an inspection method for dyed diesel use.	Chairman Brackett
<u>RS25244</u>	Revises skills test fees for Commercial Driver's Licenses.	Chairman Brackett

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb
Sen Hagedorn	

COMMITTEE SECRETARY

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MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, February 09, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Lodge, Harris, and Buckner-Webb

ABSENT/ EXCUSED: Senator Den Hartog

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. He noted that Senator Den Hartog had a Senate conflict.

MINUTES APPROVAL: **Senator Harris** moved to approve the Minutes of January 26, 2017. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**.
Vice Chairman Nonini moved to approve the Minutes of February 2, 2017. **Senator Harris** seconded the motion. The motion passed by **voice vote**.

PRINTING OF LEGISLATION: **Chairman Brackett** stated the Committee had five RSs before it.

UNANIMOUS CONSENT: **Vice Chairman Nonini** called for unanimous consent to send **RS 25221, RS 25238, RS 25218, RS 25223, and RS 25244** to print. There was no objection to the motion.

ADJOURNED: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:34 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Tuesday, February 14, 2017

SUBJECT	DESCRIPTION	PRESENTER
<u>H 20</u>	Removes additional automobile registration fee on all-gasoline hybrid vehicles and keeps the fee on plug-in hybrids.	Representative Harris
<u>S 1069</u>	Clarifies options for Real ID driver's licenses in Idaho.	Senator Vick
<u>S 1071</u>	Adds guidelines for license plate visibility.	Morgan Howard, Intern for Senator Johnson
MINUTES	Approve the Minutes of January 31, 2017.	Senator Hagedorn and Senator Lodge
	Approve the Minutes of February 9, 2017.	Vice Chairman Nonini and Senator Winder

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb
Sen Hagedorn	

COMMITTEE SECRETARY

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MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, February 14, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

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

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 1:31 p.m.

H 20 **Chairman Brackett** invited Representative Harris to present **H 20**.

Representative Harris said there are two types of vehicles classified as hybrids. The first is gasoline driven like the Honda Prius, and the other is electric plug-in driven like the Chevrolet Volt. Gasoline hybrids currently pay the gas tax when filling their tanks. Plug-in hybrids do not pay their fair share of the gas tax because half of their miles driven rely on the electrical grid as their power source. Currently, both pay the same registration fee in addition to paying a hybrid vehicle registration fee. **H 20** exempts gasoline hybrids from paying the electric hybrid vehicle additional registration fee because they already pay the gas tax.

Senator Winder remembered that this exemption passed the Senate last year, but the House didn't hear the bill. **Representative Harris** agreed that last year's bill did not get heard on the House side, but that legislation exempted all hybrids from paying the extra registration fee.

Senator Hagedorn asked if the \$20,000 cost to the Idaho Transportation Department (ITD) as written in the bill's Fiscal Note could be explained. **Representative Harris** replied that the Vehicle Identification Number (VIN) does not currently distinguish plug-in hybrid vehicles from gasoline hybrid vehicles. ITD is working with R.L. Polk & Company to license a service that will integrate ITD's new system so that a plug-in hybrid can be identified. The cost is for that service. With the service, the Idaho Department of Motor Vehicle (DMV) employees working vehicle registration counters will be able to distinguish between hybrids when servicing customers registering their vehicles.

CONFLICT OF INTEREST: **Senator Winder** declared that he may have a conflict of interest under Senate Rule 39(H) because he owns two gasoline driven hybrid vehicles.

MOTION: **Senator Den Hartog** moved to send **H 20** to the floor with a **do pass** recommendation. **Senator Keough** seconded the motion.

Before the vote, **Senator Hagedorn** commented that he understood the logic of this legislation, but ITD's budget is currently set at a \$435,000 shortfall, and pulling \$1 million in annual estimated revenue was counter productive to making ITD fiscally solvent.

Chairman Brackett asked Representative Harris if he would support increasing the fuel tax. **Representative Harris** responded that at this time he was not prepared to discuss options for replacing the reduction in ITD's revenue if **H 20** becomes law. **Chairman Brackett** ended his remarks by stating there were two separate issues at play; Senator Hagedorn's comment about this legislation's affect on ITD's budget was an important observation.

Senator Winder said that he doesn't like taking funds away from ITD either, but this was a fairness issue because gasoline driven hybrids and regular gasoline driven vehicles get about the same gas mileage per gallon.

Chairman Brackett said that legislators had received a lot of correspondence on this issue, proving that they listen and act on public comment and feedback.

**VOTE ON
MOTION:**

The motion to send **H 20** to the floor with a do pass recommendation passed by **voice vote**. **Chairman Brackett** assigned Senator Den Hartog to carry the bill on the floor.

S 1069

Chairman Brackett invited Senator Vick to present **S 1069**.

As background, **Senator Vick** began by stating that in 2008 Idaho passed a law stating Idaho would not comply with the federal REAL ID Act legislation. Last year, Idaho changed its position for various reasons in order to comply with the federal REAL ID Act. **S 1069** offers an Idaho driver's license or identification card applicant the option of acquiring either a REAL ID compliant card or one that is not REAL ID compliant. The applicant is to be informed of the differences in the two and understand what documents will be retained by ITD.

Senator Vick said that a non-compliant REAL ID Act card can be used for voting or registering to vote, applying for and receiving federal benefits, being licensed to drive by the State, receiving health or life preserving services, access to court proceedings, and participating in any law enforcement investigation. The main reasons to have a REAL ID Act compliant card is to be able to board aircraft, entering federal facilities requiring an ID, and entering nuclear power plants. Commercial air travel is by far the issue affecting most people.

When the legislation to comply came up last year, ITD said they would offer both compliant and non-compliant cards. **Senator Vick** said that at some point, if ITD decides not to offer both, the requirement should be in Idaho Code. To get a compliant license, an applicant must show a certified birth certificate both initially and with every renewal. There are cases where that document is not available. Page 2 of **S 1069** discusses what the ramifications are of choosing each option.

Senator Winder agreed with the concept, but asked if there was a visual difference between the compliant and non-compliant licenses. **Senator Vick** said that from what he has read, every State will have to print clearly on the ID whether it is compliant or non-compliant. **Senator Winder** voiced concern that without a clear distinction, the license holder could forget they have a non-compliant license and will present it to board an airplane or enter a federal facility requiring identification. **Senator Vick** thought that ITD could best address that concern.

Mollie McCarty, Government Affairs Manager for ITD, responded that while she could not address specific details of the differences in the cards, she knew that a star will appear on the cards that law enforcement and other authorities will recognize as being compliant or not. **Senator Winder** thought that was good for law enforcement, but he wanted to know if the card holder would recognize their card as being compliant or not. **Ms. McCarty** was unsure but would get information to the Committee. She said that ITD is concerned about that possibility when people choose a non-compliant license. **Senator Winder** was pleased ITD was thinking about this issue because he believes non-compliant licenses in particular need to be very clear.

Senator Lodge asked how easy it was to change from a non-compliant to a compliant license. **Ms. McCarty** said that the applicant just needed to provide proof, legal presence and documentation that confirms their identity. The documentation and process cannot be circumvented. She recommended that individuals should have the documentation readily available if an emergency arises. **Senator Lodge** wanted to know how long it would take to get a compliant license if the individual had all the documentation. **Ms. McCarty** said that as long as they had the documentation it wouldn't take long at all. **Senator Lodge** concluded by asking about the fiscal note and if there was data showing this can be done within the current budget. **Ms. McCarty** assured Senator Lodge that the bill only clarifies the parameters, as ITD had already envisioned the needs of customers. ITD is working with customers and the media to get the information about the options to the public.

Senator Den Hartog wondered if different information would be shared with the Department of Homeland Security for compliant and non-compliant licenses. **Ms. McCarty** responded that although the perception is that there is a big national database, the reality is it's a State database at ITD. While information is stored by ITD alone, there is sharing of information with other States when verifying identity is required.

Senator Hagedorn asked for the purposes of TSA's needs when boarding an airplane, what alternative identification instruments are available. **Ms. McCarty** said that list was on their website, but certainly a passport or military ID are alternatives. A compliant driver's license is not the only option. She said she would forward information to Committee members.

TESTIMONY:

Chairman Brackett invited Kathy Griesmyer, Policy Director for ACLU of Idaho, to offer testimony on **S 1069**.

Ms. Griesmyer said the ACLU of Idaho supports **S 1069**, but requested it be amended to putting additional privacy protections in place. The ACLU opposes the REAL ID Act because of privacy concerns with regards to the information license holders present to DMV to secure a license. She said that **S 1069** was a good start by giving applicants an option to select a non-compliant card.

Chairman Brackett asked if Ms. Griesmyer would share a copy of her testimony with the Committee. **Ms. Griesmyer** would send the facts she offered to the Committee via email.

MOTION:

Senator Harris moved to send **S 1069** to the floor with a **do pass** recommendation. **Vice Chairman Nonini** seconded the motion. The motion passed by **voice vote**. **Senator Vick** said he would carry the bill on the Senate floor.

S 1071

Chairman Brackett invited Morgan Howard, an intern for Senator Johnson, to present **S 1071**.

Ms. Howard said that **S 1071** adopts language that the Utah Legislature passed in 2015. It exclusively exempts vehicle license plate obstructions caused by trailer hitches or other items listed in the bill. It offers clear guidelines for Idaho motorists on what is allowable with regard to license plate visibility.

Chairman Brackett suggested there are many natural items that can obstruct a license plate. **Ms. Howard** recommended that those items could easily be removed.

Senator Hagedorn observed that the bill does not designate between a front or back license plate. **Ms. Morgan** agreed front or back is not qualified in the bill, but most of the devices listed require installation at the rear of the vehicle. **Senator Hagedorn** continued that most devices slide into a two-inch receiver hitch, of which he has one on the front of his car. He asked if this bill allows him to install a device on the front of his vehicle? He also commented that the bill is not clear on the different styles of bumpers. Although not an attorney, **Ms. Morgan** believed it would be allowed as the bill is written, but the Idaho State Police (ISP) should add their input.

Senator Keough asked if there were any challenges or incidents that caused this legislation to be brought forward. **Ms. Morgan** said that a photograph in the Committee members' packets of a ball hitch attached to the back of a pick-up truck located in front of the back license plate was from an Idahoan who was pulled over because of the ball hitch. There were also drugs found in the vehicle at the time it was stopped.

TESTIMONY:

Chairman Brackett welcomed Major Sheldon Kelly of ISP to offer testimony.

Major Kelly said that the ISP's concern is being able to identify a vehicle. If a license plate is obscured and cannot be read, then the safety of the officer is at risk as he approaches a stopped vehicle without information available by running a license plate number. A law enforcement officer's objective is to determine if there could be criminal activity. In the case Ms. Morgan described, that was what was happening. If a license plate is obscured, an officer has to get out of his vehicle to identify the plate. He used the national Amber Alert as an example of being able to identify a vehicle; an obstruction could hinder finding a suspect.

Vice Chairman Nonini shared the photograph with Major Kelly. He thought the license plate, despite the location of the trailer hitch, was visible and readable and asked if the driver was stopped because of probable cause. **Major Kelly** was not familiar with the particular incident, but thought it was a likely scenario. He said that depending on the angle the officer was viewing the license plate, there could be an obstruction. Without probable cause for the stop, charges from discovering the drugs could be tossed out of court.

Senator Den Hartog asked if Major Kelly was recommending a license plate be removed and temporarily relocated on the attachment being slid in and out of a bumper slider or hitch. **Major Kelly** offered that if the object is securely attached, the license plate could be relocated.

Senator Keough said that many vehicles have rear racks for various reasons. It appears they are all in violation of current law. She agreed that there was a problem, because more and more people are attaching equipment to their vehicles. But she wanted to know if without probable cause of some other violation, would a law enforcement officer actually pull over a vehicle carrying a camping cooler on the back of their car. **Major Kelly** agreed officers were seeing more and more of this, but said a vehicle could be stopped for lights in which a warning may be given. He concluded that it was becoming a problem and speculated that perhaps the license plate should be relocated on the vehicle.

MOTION: **Senator Hagedorn** moved to hold **S 1071** in Committee. **Vice Chairman Nonini** seconded the motion.

Senator Hagedorn understood the intent of the bill, but he does not believe obstructing a license plate is the problem and he was not willing to move forward with this issue at this time.

Senator Winder, Chairman Brackett, and **Vice Chairman Nonini** concurred that Ms. Morgan had done an excellent job in presenting **S 1071**.

Ms. Howard offered closing remarks in which she urged the Committee to visit the Utah State Highway Patrol website where they would find statistics regarding the outcome of Utah having passed similar legislation. She concluded by asking the Committee to reconsider the motion and send **S 1071** to the floor with a do-pass recommendation.

VOTE ON MOTION: The motion to hold **S 1071** passed by **voice vote**.

MINUTES APPROVAL: **Senator Lodge** moved to approve the Minutes of January 31, 2017. **Senator Hagedorn** seconded the motion. The motion passed by **voice vote**.

Vice Chairman Nonini moved to approve the Minutes of February 9, 2017. **Senator Winder** seconded the motion. The motion passed by **voice vote**.

ADJOURNED: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:36 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, February 16, 2017

SUBJECT	DESCRIPTION	PRESENTER
MINUTES	Approve the Minutes of February 7, 2017.	Senator Den Hartog
<u>H 27</u>	Under hazards to air flight, this legislation adds an exemption to poles or structures supporting electric lines carrying voltages of 69,000 volts or more.	Ron Williams and Luke Papez, LS Power
<u>S 1070</u>	Creates an Idaho Rotary International specialty license plate.	Senator Martin
PAGE FAREWELL	Good-bye to Committee Page Tess Jensen of Caldwell, Idaho.	Chairman Brackett
PAGE WELCOME	Welcome to Committee Page Anika Draper of Idaho Falls, Idaho.	Chairman Brackett
PRESENTATION	<p><u>Road Usage Charges:</u></p> <p>Travis Dunn, Partner in D'Artagnan Consulting of Austin, Texas, is an analyst and policy advisor to government transportation agencies in the areas of road use charging, infrastructure planning, and Intelligent Transportation Systems.</p> <p>Stephen Fitzroy, Executive Vice President of EDR Group of Boston, Massachusetts, leads the firm's highway and multi-modal transportation planning practice.</p>	Mollie McCarty , Idaho Transportation Department

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
email: stran@senate.idaho.gov

Sen Hagedorn

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, February 16, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Den Hartog, Lodge, Harris, and Rohn(Buckner-Webb)

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. He welcomed Senator Troy Rohn, temporarily substituting for Senator Buckner-Webb, to the Committee. **Chairman Brackett** announced that it was photo day and there would be Committee members coming and going throughout the hearing.

MINUTES APPROVAL: **Senator Den Hartog** made a motion to approve the Minutes of February 7, 2017. **Senator Rohn** seconded the motion. The motion passed by **voice vote**.

H 27 **Under hazards to air flight, this legislation adds an exemption to poles of structures supporting electric lines carrying voltages of 69,000 volts or more.** **Chairman Brackett** invited Ron Williams of Williams Bradbury, PC and Luke Papez of LS Power to present **H 27**.

Mr. Williams said he would give background on Idaho Code § 21-515A and Mr. Papez would speak about the legislation and LS Power's role. The original legislation was passed in 2012 primarily because of the wind development industry. Meteorology towers were being located in agricultural land and the desert to measure wind. This affected crop dusters trying to spray fields. This section of Idaho Code was amended to deal with guyed towers taller than 50 feet requiring they be marked with identification balls, painting schemes, and flashing lights. There were exemptions for telecommunication facilities and electrical structures. In 2013, it was amended again to include federal power marketing agencies serving public and consumer owned utilities. **H 27** deals with transmission companies, like LS Power, building transmission lines and selling or leasing transmission space to other utilities. The transmission companies did not meet the current definitions in Subsection 4.

Mr. Papez testified in support of **H 27**. LS Power is an independent transmission and generation firm that develops transmission lines and power facilities all across the United States. In Idaho, they focus on a 500 kilovolt transmission line originating in Twin Falls and continues south for 75 miles before entering Nevada. Idaho Power began this line in the late 1980s; LS Power acquired it in the mid-2000s. At that time, sage grouse were a species of concern that affected tower design. This new design eliminates many of the perching opportunities for predators of the sage grouse. The design has met with success in Nevada, has been approved by the Bureau of Land Management (BLM), and LS Power would like to introduce the design in Idaho. The design increases regional transmission that generates economic benefits to help lower the market price of energy. He concluded by asking for the Committee's support.

Senator Harris commented that the tubular polls take up more surface area and asked how that would affect locating them on farmland. **Mr. Papez** agreed that the space consumed at the base was significant, but said they would work with land owners on the crossing rights from public to private land if the problem arose.

Chairman Brackett asked if the towers co-locate with existing power lines. **Mr. Papez** said their project is within the same corridor of an existing transmission line. The lines use similar guyed structures.

MOTION: **Senator Harris** moved to send **H 27** to the floor with a **do pass** recommendation. **Senator Den Hartog** seconded the motion. The motion passed by **voice vote**. Senator Winder was assigned to carry the bill on the Senate floor.

S 1070 **Creates an Idaho Rotary International specialty license plate. Chairman Brackett** invited Senator Martin to present **S 1070**.

Senator Martin introduced Barbara Dorsey of the Rotary Club of Boise Southwest who would present **S 1070**, but he would answer questions following her presentation.

Ms. Dorsey introduced two past presidents of the Boise club who were with her; they all support this bill. The mission of Rotary is to provide service to others, promote integrity, and advance world understanding, goodwill and peace through its fellowship with business, professional, and community leaders. The Rotary motto is "service above self". She expressed the good work that Rotary does throughout the world, highlighting the Polio Project that eliminated polio. Idaho has a 100 year history with Rotary that will be celebrated later in the year in Boise. There are clubs throughout Idaho. Each time a specialty plate is purchased, a large percent of the initial and annual renewal fees fund transportation. She concluded by stating having this license plate would make a great 100 year anniversary of Rotary in Idaho.

Vice Chairman Nonini said he had been active in Rotary for more than 20 years. He had worked on polio eradication and providing clean drinking water to third world countries. He worked with Mrs. Dorsey last year and knows of her great passion for getting this passed. It would be wonderful to have the plate available for past Rotarians statewide. **Vice Chairman Nonini** had Senator Martin hold up a poster depicting the license plate.

MOTION: **Vice Chairman Nonini** moved to send **S 1070** to the floor with a **do pass** recommendation. **Senator Harris** seconded the motion. The motion passed by **voice vote**. **Senator Den Hartog** asked that she be recorded as voting nay. Senator Martin was assigned to carry the bill on the Senate floor.

PAGE FAREWELL: **Good-bye to Committee Page Tess Jensen of Caldwell, Idaho. Chairman Brackett** presented Ms. Jensen with parting gifts from the Committee including a letter of thanks and a recommendation letter. **Chairman Brackett** said the Committee enjoyed having Ms. Jensen as the Committee's page and invited her to the podium to share her experiences.

Ms. Jensen expressed her gratitude to the Committee and how much she enjoyed her work in the Senate. She shared that it had been an emotional day and she was regretting that this week marked her last. **Ms. Jensen** said that over spring break in late March she would be traveling with a school group to Italy and Greece. She concluded by stating following graduation from Caldwell High School, she was going to work through the summer before heading to Rexburg to attend BYU-Idaho in the fall.

Vice Chairman Nonini was interested in what cities in Italy she was visiting. **Ms. Jensen** said she would be visiting Rome then travelling by bus to Naples where they would get on a big ship to Greece.

Senator Harris applauded Ms. Jensen's artistic ability which had been used for the cover of the Senate Memorial Service scheduled for Monday. He appreciated her willingness to do that.

PAGE WELCOME: **Welcome to Committee Page Anika Draper of Idaho Falls, Idaho. Chairman Brackett** welcomed Ms. Draper to the Committee and invited her to take the podium.

Ms. Draper said she was home schooled in Idaho Falls where she was a junior in high school. After she graduates from high school she plans on attending BYU-Idaho then go on to interior design school.

PRESENTATION: **"Road Usage Charges" presentations by Travis Dunn of Austin, Texas and Stephen Fitzroy of Boston, Massachusetts. Chairman Brackett** invited Mollie McCarty, Governmental Affairs Manager for the Idaho Transportation Department (ITD), to introduce ITD's presenters.

Ms. McCarty said that in 2009/2010 the Governor's Task Force looked at transportation challenges, focusing on the pros and cons of the tools available. One tool was a road user fee which all agreed warranted additional study. This presentation is an appropriate update on the issue from two experts in the area of road user fees. Mr. Dunn is a Partner at D'Artagnan Consulting in Austin that provides specialty advisory services on transportation funding policy, chiefly road user charging; and Mr. Fitzroy is the Executive Vice President of the Economic Development Research (EDR) Group in Boston where he is a leader in the firm's highway and multi-modal transportation planning practice. She concluded by indicating Mr. Dunn would begin and he would be followed by Mr. Fitzroy.

PASSED THE GAVEL:

Chairman Brackett had business outside the Committee; he passed the gavel to Vice Chairman Nonini.

Vice Chairman Nonini invited Mr. Dunn to begin his presentation.

Mr. Dunn described Idaho's transportation funding dilemma in light of vehicle fuel economy trends, market dynamics, and other policies. In 2011, the Governor's Task Force found: 1.) Idahoans continue to buy more fuel-efficient vehicles, further widening the gap between available revenue and transportation needs; 2.) a tax based on the number of vehicle miles traveled (VMT) would protect transportation revenues against the effects of increasing vehicle fuel efficiency and the use of alternative fuels; and 3.) VMT tax has high potential for revenue and is recommended for further study.

Mr. Dunn continued with fuel economy challenges. Fuel economy was flat for 30 years then started to improve around 2008 resulting in a reduction in fuel consumption. The Energy Information Administration forecasts improvements in fuel economy despite recent gasoline price trends.

An exploration and testing of VMT charging was attractive in theory, but there are challenges to implement them in reality. Among others, Washington, Oregon, California, and Hawaii have begun implementing road usage charges (RUC). In total, fourteen western states' departments of transportation, including Idaho's, voluntarily created the Western Road User Charge Consortium (RUC West) in order to build public institutional knowledge and develop expertise for the potential of mileage-based RUCs. It is a collaborative forum that facilitates resource sharing and joint research to identify best practices, discuss issues, make observations, and gather lessons learned. Members are free to determine if or how they wish to advocate testing or implementing RUC systems in their State, but they are not required to adopt or advocate a system, or adopt policies used by another member. While there are many concerns, the biggest unresolved issue is the cost of collecting RUCs.

**PASSED THE
GAVEL:**

Mr. Dunn talked about the Fixing America's Surface Transportation (FAST) Act, the first federal law in over a decade to provide long-term funding certainty for surface transportation infrastructure planning and investment. Even though progress was being made, under the FAST Act no state has looked at the impact of fleet technology changes on revenue from heavy vehicles. He referenced 2015's H 312 where Idaho's legislative intent was to study imposing an operating fee by weight class on all commercial vehicles and on all farm vehicles in excess of 60,000 pounds based on the total miles traveled on Idaho's roads and highways. He concluded his presentation by stating the funding dilemma doesn't have an arrival date, but Idaho can benefit from other states' experiences and from federally funded opportunities to do more localized research.

Vice Chairman Nonini returned the gavel to Chairman Brackett.

Senator Hagedorn asked if anyone was working on the BTU fuel tax. **Mr. Dunn** was unaware of any studies.

Senator Rohn wondered if during a vehicle's annual emissions testing could mileage usage be gathered. **Mr. Dunn** replied that while it wouldn't work in every state, California is working with their board to make it happen.

Senator Harris wanted to know if RUC was meant to replace tax on fuel. **Mr. Dunn** said that in every case, RUC is in addition to the gasoline tax; California does allow a tax credit.

Vice Chairman Nonini asked for specific information on the pilot program in Spokane, Washington. **Mr. Dunn** said that for nearly eight years, Washington State has been capturing mileage data based on its different geographical areas. In Spokane, drivers do not want to be charged for miles driven in Idaho. **Vice Chairman Nonini** commented that gasoline prices were higher in Washington than in Idaho.

Chairman Brackett asked what it would take for North Idaho to be part of that pilot program. **Mr. Dunn** said it was being run by the Washington Department of Transportation and they are already working with British Columbia, Canada to test crossing borders. **Chairman Brackett** thought a pilot program was a good place to begin and borders should be explored.

Senator Hagedorn suggested that if states don't tax their fuel, how would Idahoans travelling on their roads be charged? He saw this as an issue for border communities. **Vice Chairman Nonini** added that Idahoans already go to Washington to buy groceries because there is no sales tax.

Chairman Brackett thought privacy could be a concern with RUC. **Mr. Dunn** said that each state handles privacy differently. By including privacy language in statutes, monthly reports on miles driven once paid would need to be destroyed. **Chairman Brackett** reminded everyone that these discussions have been going on for ten years; perhaps they should consider reprogramming payment through fuel tax similar to paying an electricity bill. **Mr. Dunn** agreed they're experimenting with that. A pilot program educates how roads are paid, but few people know the process required to get it accomplished. **Chairman Brackett** asked if this were a way to increase funding or was it an RUC option. **Mr. Dunn** replied that all states are using pilot programs as a way to hold harmless the gathered information while understanding where motorists are driving which will determine where resources need to be focused. **Chairman Brackett** asked if this was a replacement for vehicle registration or was it in addition to the fuel tax, and were trucks included. **Mr. Dunn** said it was not a replacement, and he discussed Oregon's fuel pumping laws with regards to trucks.

Chairman Brackett invited Mr. Fitzroy to begin his presentation.

Mr. Fitzroy said he would review the financial impacts of RUC West on drivers in rural and urban counties. The objectives of his study was to compile comparable data available for all western states. This data was analyzed between rural and urban drivers to assess the potential effects of adopting a multi-state RUC system. They are developing ways for use by all participating states. This meant using as much existing data as possible in innovative ways. It is designed to provide flexibility in developing and interpreting outcomes and will become a common basis for multi-state analysis.

After the intricate analysis, there were 22 cities in Idaho with populations greater than 10,000. They form six clusters of cities and towns around which urban and mixed census tracts coalesce. The process for estimating the number of VMT in each census tract involved work done by the Bureau of Transportation Statistics (BTS). BTS equations gave VMT estimates for each of the 298 census tracts in Idaho. The 26.5 million VMT per day translated into roughly 7.8 billion VMT per year in Idaho. **Mr. Fitzroy** went through the analysis of what this meant for determining where people are travelling and, therefore, where resources should be focused.

Mr. Fitzroy went through the much more complicated process of trying to determine the types of vehicles used by households in Idaho and how many were gas-powered and non-gas-powered. The research showed a reasonable depiction of the differences in the types of vehicles, and the fuel efficiency of those types. Households in urban areas tended to own newer vehicles and, therefore, more fuel-efficient vehicles. Rural households tended to own older, larger vehicles and more light duty trucks, including flex and bio-fueled vehicles. They are generally less fuel-efficient.

In conclusion, Idaho has a stable but declining revenue stream from its current motor fuels tax. Based on their analysis, they determined the revenue-neutral road user charge rate would be about 1.45 cents per mile. For a vehicle driven 45 miles per day, the average in Idaho, the RUC cost would be 65 cents per day, regardless of the vehicle's fuel type. There were many implementation challenges that he discussed.

Senator Hagedorn wanted to know why the VMT was increasing. **Mr. Fitzroy** that there were many factors: 1.) older drivers have more free time; 2.) Idahoans are driving more than in the past; 3.) population is growing; 4.) fuel efficiency in vehicles has lessened the financial burden; and 5.) economic factors. **Senator Hagedorn** asked what constitutes a "trip" and how the changing fleet will affect the model Mr. Fitzroy presented. **Mr. Fitzroy** explained a "trip" is a round-trip and the two factors in question change proportionally.

Chairman Brackett applauded both presenters for sharing valuable information with the Committee. He asked if their presentations could be shared with each Committee member. **(NOTE: A paper copy of each PowerPoint presentation's slides are located in the Senate Transportation Committee's Legislative Session Book on permanent file in the Legislative Services Library.)**

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 3:00 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Tuesday, February 21, 2017

SUBJECT	DESCRIPTION	PRESENTER
GUBERNATORIAL APPOINTMENT	Reappointment of Dwight Horsch of Pocatello, Idaho to the <u>Idaho Transportation Board</u> to serve a term commencing January 31, 2017 and expiring January 31, 2023.	Introduction by: Jerry Whitehead , Idaho Transportation Board Chairman
<u>S 1052</u>	Removes dyed fuels and dyed fuels tax exemption, keeping clear diesel fuel available for all users. Qualified users can apply for a refund as frequently as monthly.	Jerry Deckard , CapitolWest Public Policy Group
<u>S 1072</u>	Provides for a practical inspection method for dyed diesel fuel users.	Chairman Brackett

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett

Vice Chairman Nonini

Sen Keough

Sen Winder

Sen Hagedorn

Sen Den Hartog

Sen Lodge

Sen Harris

Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett

Room: WW33

Phone: 332-1332

email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, February 21, 2017
TIME: 1:30 P.M.
PLACE: Room WW53
MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Lodge, Harris, and Buckner-Webb
ABSENT/ EXCUSED: Senator Den Hartog

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 1:33 p.m. He mentioned that Senator Den Hartog had a conflict and would not be in Committee. **Chairman Brackett** also reminded to the Committee that he and Representative Steve Hartgen were sponsoring a meeting on Wednesday, February 22, 2017 from 4:00 to 5:00 p.m. in the Lincoln Auditorium on Autonomous Vehicles.

GUBERNATORIAL REAPPOINTMENT: **Reappointment of Dwight Horsch of Pocatello Idaho to the Idaho Transportation Board to serve a term commencing January 31, 2017 and expiring January 31, 2023. Chairman Brackett** invited Jerry Whitehead, Chairman of the Idaho Transportation Board (ITB), to introduce Dwight Horsch.

Mr. Whitehead said he was reintroducing Mr. Horsch, who had volunteered for another six-year term on the ITB, to the Committee. He said Mr. Horsch was the only member of the ITB who was involved in the agricultural industry on a daily basis and as such, he brought that welcomed perspective to the ITB.

Mr. Horsch introduced his wife and said he was a farmer from Aberdeen, Idaho for 46 years. He had also been in the trucking business for 16 years. During the 20 years of his work in agriculture he was involved in the transportation industry.

He did not seek another term, but was asked by the Governor to serve another term. **Mr. Horsch** said yes because he considered the constituency of the region he represents, ITB District 5. He works well with the other ITB members; they all encouraged him to say yes and he feels comfortable with the decision.

Senator Winder thanked Mr. Horsch for agreeing to serve and asked him what was the biggest challenge facing the ITB. **Mr. Horsch** said that mostly the ITB is putting out fires. The data shows that the State highway system is in trouble and Idaho needs to play catchup just to maintain the roads. **Senator Winder** asked if the Idaho Transportation Department (ITD) had done a study about the winter weather and flood damage to the roads. **Mr. Horsch** said they were currently doing that district by district and the first draft would be available soon.

Senator Hagedorn asked about fuel efficiency in vehicles, even tractors have almost doubles their fuel mileage. How is the State going to collect tax revenue with less gasoline being sold to meet our needs? **Mr. Horsch** expressed his thought on the ton-mile tax as a method for government taxing road usage in order to generate funding for road construction and maintenance. He understood it was an administrative nightmare, but thought some kind of user fee taxing miles traveled needed to be considered. With tax revenue at the pump shrinking, a process to convert to new revenue streams somehow needs to be developed.

Senator Keough thanked Mr. Horsch for his service and was looking forward to seeing the list of damages to Idaho roadways as they continue to accrue. **Mr. Horsch** said that ITD was preparing that report.

Chairman Brackett thanked Mr. Horsch and said the Committee would vote on his appointment at the next Committee hearing.

S 1052

Removes dyed fuels and dyed fuels tax exemption, keeping clear diesel fuel available for all users. Qualified users can apply for a refund as frequently as monthly. Chairman Brackett invited Jerry Deckard, CapitolWest Public Policy Group, to present **S 1052**.

Mr. Deckard said he was representing himself only. When he visited the dyed fuel issue, his simple answer to gain compliance with the statutes was to eliminate dyed fuel in Idaho. Simply buy diesel, pay the tax on diesel fuel, and apply for a refund monthly or quarterly. It turned out not to be so simple. All States use dyed diesel fuel and some tax dyed fuel. He now knows more about the industries involved and what and who use dyed fuel. His conclusion was to ask the Committee to hold **S 1052** in Committee.

**UNANIMOUS
CONSENT:**

Chairman Brackett mentioned that there was another contact person on the bill, but asked the Committee for unanimous consent to hold **S 1052** in Committee.

Senator Winder said this legislation was his idea which is why he was listed as one of the contacts on the Statement of Purpose. He said he had looked at the problems of dealing with enforcement of dyed diesel use and concluded getting rid of it was a viable alternative. Legitimate users can get a refund on a monthly basis. He has realized it is not so easy for those who use the fuel regularly. He thought this solution was one of the fairest ways to administer the program. **S 1052** is an attempt to deal with those who abuse the dyed diesel statutes. He supports enforcement, but thinks it generates more problems. He does not object to the unanimous consent to hold the bill.

With no objection to the unanimous consent request, **S 1052** will be held in Committee.

**PASSED THE
GAVEL:**

Chairman Brackett passed the gavel to Vice Chairman Nonini.

S 1072

Provides for a practical inspection method for dyed diesel fuel users. Vice Chairman Nonini invited Chairman Brackett to present **S 1072**.

As part of a family ranching company that uses dyed diesel for off-highway use, **Chairman Brackett** declared he may have a conflict of interest under Senate Rule 39(H).

Chairman Brackett gave a quick history lesson from the Gem State Producer publication of the Idaho Farm Bureau, July 2015. The problem is that there is some illegal use of dyed diesel while driving on public highways. This was discussed in the Governor's highway findings task force and was included in H 312aa (2015) in order to raise revenue for maintenance for roads and bridges. The result was a report, "Enhanced Enforcement of the Federal Tax Law", of options to reduce use of untaxed fuels on Idaho roads and highways. It was jointly issued by the Idaho State Tax Commission (ISTC), Idaho State Police (ISP), and ITD. **S 1072** is not a new tax or a new law, it is simply an effort to enforce existing law. Many believe Idaho should enforce existing laws before it considers passing new ones.

In February 2016, a joint letter from the Idaho Farm Bureau (IFB) and the Idaho Associated General Contractors (Idaho AGC) listed 15 points they thought must be included in any proposal to enforce dyed diesel use. He gave a special thank you to the IFB and the Idaho AGC for being thorough and thoughtful in creating a starting point for legislation. **S 1072** includes 14 of the 15 points. The one point that was not included was the penalty to detainees refusing to allow their fuel to be tested; the report proposed a \$250 fine and **S 1072** sets the fine at \$1,000. He compared it to refusing to take a breathalyzer test. If a detainee refuses a breathalyzer, they lose their driver's license. The fine for abusing dyed diesel could be considered small compared to losing one's driver's license.

The Idaho Association of Commerce and Industry (IACI) wrote a white paper for the Food Producers of Idaho that concluded Idaho does not have a dyed diesel enforcement program. **Chairman Brackett** reminded the Committee that the illegal use of dyed diesel on highways is not a traffic violation, it is tax evasion. The purpose of **S 1072** is to increase compliance, not to generate revenue through fines and penalties. He concluded his presentation by going through the legislation section by section.

Senator Winder was grateful this issue had been brought. For those who use dyed diesel, is there any assurance that a violator's information will not be reported to federal agencies? **Chairman Brackett** referred to page 2, lines 18 and 19, that states there is no requirement that an agency of the State report violations to the federal government unless otherwise required to do so. He then read from a statement from the ISTC indicating they would not share dyed diesel violation information. **Chairman Brackett** said he believed the concern was covered. **Senator Winder** asked if a violation occurred with a commercial truck, would other trucks within the owner's fleet be required to be tested as well. **Chairman Brackett** said that references in two sections of the bill state that the inspection shall be limited to the vehicle being inspected.

Senator Harris asked what "other funding" on page 2, line 1 meant. **Chairman Brackett** said it is open ended and could even mean available grants.

Senator Hagedorn asked if there was a fleet of trucks and one had used dyed diesel on the highway, would the driver or the owner receive the violation. **Chairman Brackett** said the driver gets the citation, but if it was owned by someone else, the owner would be made aware. The fleet would not be inspected, inspection would solely be applied to the individual vehicle.

TESTIMONY:

The following individuals testified in support of **S 1072**: **Wayne Hammond**, Executive Director of the Idaho AGC; **Mike Brassey** representing Union Pacific Railroad; **Jim Riley** representing several forest groups from North Idaho as well as the Associated Logging Contractors of Idaho; **Julie Pipal**, President of the Idaho Trucking Association; **Michael Kane** representing AAA Idaho; **Stacey Satterlee**, Executive Director of the Idaho Grain Producers Association; and **Wyatt Prescott**, President of Food Producers of Idaho.

The following individuals representing the Idaho Farm Bureau (IFB) testified against **S 1072**: **Dennis Tannikuni**, IFB's Assistant Director of Governmental Affairs; and **Bryan Searle**, IFB's President.

**CLOSING
REMARKS:**

Chairman Brackett thanked the Committee and offered to share the information and publications he referred to and/or read in his presentation. He believes this legislation is a very good common-sense and reasonable proposal to increasing compliance with Idaho's dyed diesel laws. He ended by urging the Committee's support by sending **S 1072** to the floor.

MOTION:

Senator Hagedorn moved to send **S 1072** to the floor with a **do pass** recommendation. **Senator Winder** seconded the motion.

Before the vote, **Senator Lodge**, **Senator Keough**, and **Senator Harris** declared they may have a conflict of interest under Senate Rule 39(H).

The motion to send **S 1072** to the floor with a do pass recommendation passed by **voice vote**. **Senator Harris** asked that his nay vote be recorded.

**PASSED THE
GAVEL:**

Vice Chairman Nonini passed the gavel back to Chairman Brackett.

ADJOURNED:

With no other business before the Committee, **Chairman Brackett** adjourned the meeting at 2:59 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, February 23, 2017

SUBJECT	DESCRIPTION	PRESENTER
VOTE ON GUBERNATORIAL APPOINTMENT	Reappointment of Dwight Horsch of Pocatello, Idaho to the <u>Idaho Transportation Board</u> to serve a term commencing January 31, 2017 and expiring January 31, 2023.	Chairman Brackett
<u>H 78</u>	Updating Idaho Code's Unattended Motor Vehicle section to allow driver's such activities as starting their vehicle's engine to warm it up or starting their vehicle with a remote control device.	Representative Harris
<u>H 132</u>	Provides for an exception to set highway speed limits when passing a vehicle on Idaho highways that have one lane of traffic in each direction.	Representative Clow
<u>S 1107</u>	Amends the skills test fees' existing law for Commercial Driver's Licenses.	Chairman Brackett

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett
Vice Chairman Nonini
Sen Keough
Sen Winder
Sen Hagedorn

Sen Den Hartog
Sen Lodge
Sen Harris
Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, February 23, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Senators Winder, Hagedorn, Den Hartog, Lodge, Harris, and Buckner-Webb

ABSENT/ EXCUSED: Vice Chairman Nonini and Senator Keough

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. He noted that Vice Chairman Nonini and Senator Keough had excused business outside the Committee.

Chairman Brackett shared an invitation from the Women in Transportation Seminar (WTS) with the Committee members. He had the Committee Page distribute a set of photos and information regarding preliminary damage to roads and highways throughout Idaho due to the severe winter weather that was provided by Laura Lantz of the Idaho Association of Highway Districts.

VOTE ON GUBERNATORIAL REAPPOINTMENT: **Chairman Brackett** asked for a motion on the reappointment of Dwight Horsch of Pocatello to the Idaho Transportation Board (ITB) to serve a term commencing January 31, 2017 and expiring January 31, 2023.

MOTION: **Senator Harris** moved to approve the reappointment of **Dwight Horsch** to the **Idaho Transportation Board**. **Senator Lodge** seconded the motion. The motion passed by **voice vote**. **Chairman Brackett** said he would carry the reappointment on the Senate floor.

H 78 **Updating Idaho Code's Unattended Motor Vehicle section to allow driver's such activities as starting their vehicle's engine to warm it up or starting their vehicle with a remote control device.** **Chairman Brackett** invited Representative Harris of Legislative District 21 to present **H 78**.

Representative Harris said that according to Idaho Code's Unattended Motor Vehicle statute, a driver cannot leave their idling vehicle unattended. **H 78** replaces existing language with locking the vehicle if the engine is turned on. This provision does not apply to motor vehicles on private property.

MOTION: **Senator Hagedorn** moved to send **H 78** to the floor with a **do pass** recommendation. **Senator Harris** seconded the motion. The motion passed by **voice vote**. **Senator Hagedorn** offered to carry the bill on the Senate floor.

H 132 **Provides for an exception to set highway speed limits when passing a vehicle on Idaho highways that have one lane of traffic in each direction.** **Chairman Brackett** invited Representative Clow of Legislative District 24 to present **H 132**.

Representative Clow described why he introduced the bill by explaining the inequity of receiving a speeding ticket for passing another vehicle that was moving slower than the speed limit. **H 132** only applies to Idaho highways with one lane of traffic in each direction. No other traffic statutes are changed. He cited that similar laws existed in Wyoming and in Washington States.

As an example, **Representative Clow** said if a driver is following a vehicle traveling less than 55 miles per hour (mph), this bill allows the driver to accelerate up to 15 mph above the posted speed limit in order to pass. Once past the slower vehicle the driver must return to the posted speed limit. The Idaho State Police (ISP) have no objections to the bill. He referred to a handout in the Committee members' packets showing speed studies which led to the 15 mph increased acceleration rate while passing. The fiscal note is written as no impact because there is no notation on a speeding ticket explaining a violator was speeding while passing another vehicle, so the fiscal impact cannot be calculated. He went through the bill and concluded by stating that this legislation is a balance between human behavior and safety.

MOTION:

Senator Harris moved to send **H 132** to the floor with a **do pass** recommendation. **Senator Hagedorn** seconded the motion. The motion passed by **voice vote**. **Senator Harris** offered to carry the bill on the Senate floor.

PASS THE GAVEL:

Chairman Brackett passed the gavel to Senator Winder.

S 1107

Amends the skills test fees' existing law for Commercial Driver's Licenses (CDL). **Senator Winder** invited Chairman Brackett to present **S 1107**.

Chairman Brackett noted that **RS 25304**, which became **S 1107**, was printed via a Unanimous Consent buckslip of all Committee members sending the RS to the Senate Judiciary and Rules Committee for print.

Chairman Brackett stated that **S 1107** would allow the free market to determine prices for the CDL skills testing with a cap of \$190. The Idaho Transportation Department (ITD) will continue to receive \$10 for administrative purposes making the total maximum fee that can be charged \$200. Idaho's CDL skills tester fee is considered low compared to other States. The majority are \$100 or more with an average of \$122. Also, testers will be required to carry a bond starting July 1, 2017.

Last year Idaho lost 10 percent of its testers. Some retirements, some just leaving the profession for a variety of reasons, but low fees has definitely been a factor. With a shortage of drivers in the trucking industry, Idaho needs to do what it can to encourage its testers to stay. **Chairman Brackett** concluded by going through the bill.

Senator Harris asked if the bond was supposed to be in the bill. **Chairman Brackett** said it was part of the federal law and not in this bill.

Senator Harris asked if ITD could respond to whether the \$60 fee on page 12, line 1 was supposed to be changed to \$190. **Alan Frew**, Administrator of ITD's Division of Motor Vehicles (DMV), responded that \$60 is for a restricted driving permit which is different than a CDL.

Senator Hagedorn remembered that in 2008 legislation was passed that raised a lot of costs and permits. He wondered if this fee was increased in 2009.

Mr. Frew acknowledged it was increased in 2009, but the fee to testers went from \$50 to \$60.

Senator Den Hartog asked if the effective date on the last page is specific to ITD's information technology system. **Mr. Frew** replied that the license timeframe is in November.

Senator Hagedorn asked if in 2009, when the last increase took place, were fees adjusted in order to raise the money needed to improve DMV's information technology system by changing to the new system? Isn't DMV still upgrading that system, and if so, maybe the Committee should wait until DMV's system upgrade is complete.

Chairman Brackett commented on two points: 1.) Idaho has lost 10 percent of its testers; and 2.) before Idaho can have drivers, it needs testers.

Mr. Frew responded that in this case, none of the increase in **S 1107** comes to ITD, the increase up to \$190 goes directly to the testers. When the fee increased in 2009, ITD was receiving less than \$10 per CDL testing. This legislation keeps ITD's testing fee at the same rate the legislation effective in 2009 ensured, or \$10 per CDL testing.

MOTION:

Senator Den Hartog moved to send **S 1107** to the floor with a **do pass** recommendation. **Senator Lodge** seconded the motion. The motion passed by **voice vote**. **Senator Hagedorn** voted nay. **Chairman Brackett** will carry the bill on the Senate floor.

**PASS THE
GAVEL:**

Senator Winder returned the gavel to Chairman Brackett.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:03 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Tuesday, February 28, 2017

SUBJECT	DESCRIPTION	PRESENTER
DISTRIBUTION	LHTAC's " <u>FY 2016 HB 312 Full Report</u> "	Chairman Brackett
S 1086	Allows adequate time to fill a vacancy on a highway district board.	Vice Chairman Nonini

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett

Vice Chairman Nonini

Sen Keough

Sen Winder

Sen Hagedorn

Sen Den Hartog

Sen Lodge

Sen Harris

Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett

Room: WW33

Phone: 332-1332

email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, February 28, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Winder, Hagedorn, Den Hartog, Lodge, and Harris

ABSENT/ EXCUSED: Senators Keough and 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 1:33 p.m. He noted that Senators Keough and Buckner-Webb were excused from today's meeting.

DISTRIBUTION: **LHTAC's "FY 2016 HB 312 Full Report".** **Chairman Brackett** noticed that Jeff Miles, Administrator of the Local Highway Technical Assistance Council (LHTAC), was located in the audience and invited him to present the report.

Mr. Miles said that in H 312 (2015), LHTAC was charged with collecting and reporting on how the local highway jurisdictions (cities, counties, and highway districts) spent the revenue issued to them with the passage of H 312 (2015). LHTAC was created to lighten the burden of government, so **Mr. Miles** said he merely added columns to the local road and State report that LHTAC already produces in order to comply with H 312 (2015). **Mr. Miles** explained that pages 1 and 2 were summaries of the jurisdictions covered; page 3 was a pie chart of the data collected at the time the report was printed; and finally in the report were the spreadsheets of data from cities, counties, and highway districts. He noted that the spreadsheets indicate those jurisdictions that had not yet submitted their data. **Mr. Miles** concluded that some jurisdictions were so small that when the clerk retired in one city, the information needed for the report could not be found until an extensive search had been done. (**NOTE: The report referenced here can be found in the official record book for the Committee's 2017 Legislative Session in the Legislative Services Library.**)

Chairman Brackett reminded the Committee that LHTAC's involvement of preparing the report was not a suggestion, it was a requirement in the law. He emphasized that local jurisdictions need to get their data to LHTAC in a timely fashion.

Senator Hagedorn asked how difficult it would be to add a column showing how many road-miles each jurisdiction represented. **Mr. Miles** indicated it would not be difficult as LHTAC has that information and he would share it with the Committee members.

Chairman Brackett wanted to know if that could be updated for miles added in the future. **Mr. Miles** indicated it could.

Senator Den Hartog noticed that some jurisdictions were quite small and asked if LHTAC encouraged pooling resources. **Mr. Miles** replied some are already doing that. As an example, he said there are 13 highway districts in Idaho County that partnered together on seal coats; they then pooled their resources and bought a used paint truck from the Nampa district.

Chairman Brackett added that he knew of a small city that routinely gave its funds for highways to their county to work on their roads. **Mr. Miles** said that was common.

Senator Hagedorn said he had heard that two highway districts had combined. **Mr. Miles** said that in Idaho County the Good Roads Highway District did not have individuals willing to run for Commissioners so they merged with the Union Independent Highway District. LHTAC was working with them to combine their funding streams and administrations.

Chairman Brackett asked what was the incentive for two highway districts to consolidate. **Mr. Miles** said there is a tax issue. Highway districts develop a taxing authority over time and when you have highway districts that tax at varying rates, they are reluctant to consolidate. In the law, when two highway districts combine, the lower taxing rate must be the rate of the resulting highway district. If this "poison pill" result were not a factor, he believes several highway districts would combine. **Chairman Brackett** summarized to accommodate the local highway districts, legislation would be appropriate.

S 1086

Allows adequate time to fill a vacancy on a highway district board.

Chairman Brackett invited Vice Chairman Nonini to present **S 1086**.

Vice Chairman Nonini said that when there is a vacancy on a highway district's commission, currently Idaho Code allows only 10 days to fill the vacancy. Changes occur on page 1, lines 28 and 33, where 10 is replaced by 30. This is in keeping with vacancies for other publicly elected officials.

MOTION:

Senator Hagedorn moved to send **S 1086** to the floor with a **do pass** recommendation. **Senator Winder** seconded the motion. The motion passed by **voice vote**. **Vice Chairman Nonini** said he would carry the bill on the floor.

ADJOURNED:

With no other business before the Committee, **Chairman Brackett** adjourned the meeting at 1:50 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AMENDED AGENDA #1
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, March 02, 2017

SUBJECT	DESCRIPTION	PRESENTER
<u>RS25432</u>	UNANIMOUS CONSENT To Send To Print: A Concurrent Resolution to comply with legislative intent in 2015's H312 to undertake and complete a study of vehicle registration and operating fees.	Chairman Brackett
<u>S 1130</u>	Discourages the practice commonly referred to as "Rolling Coal" as it is a health issue and a public safety hazard.	Senator Stennett
GUBERNATORIAL APPOINTMENT	Appoints John D. Blakley of Nampa, Idaho to the <u>Aeronautics Advisory Board</u> commencing February 10, 2017 and expiring January 31, 2022.	<u>Introduction:</u> Mike Pape , Division of Aeronautics Administrator
<u>S 1121</u>	Creates a fund for the Safe Routes to School Healthy Kids Program within the Local Highway Technical Assistance Council (LHTAC).	Cynthia Gibson , Executive Director of the Idaho Walk/Bike Alliance

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
email: stran@senate.idaho.gov

Sen Hagedorn

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, March 02, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

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

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.

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

RS 25432 **A Concurrent Resolution to comply with legislative intent in 2015's H312 to undertake and complete a study of vehicle registration and operating fees. Vice Chairman Nonini** invited Chairman Brackett to present **RS 25432**.

UNANIMOUS CONSENT: **Chairman Brackett** said this resolution will fulfill the intent of the 2015 Legislature to study possible transportation revenue avenues. He asked for Unanimous Consent to send **RS 25432** to the Senate Judiciary and Rules Committee in order for it to be printed. There was no objection.

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

S 1130 **Discourages the practice commonly referred to as "Rolling Coal" as it is a health issue and a public safety hazard. Chairman Brackett** noted that **RS 25390**, which became **S 1130**, was printed via a Unanimous Consent buckslip of all Committee members sending the RS to the Senate State Affairs Committee for print. He invited Senator Stennett to present **S 1130**.

Senator Stennett stated this legislation prohibits "coal rolling", the practice of modifying a diesel engine in order to emit a large amount of exhaust, possibly including the removal of a particular filter. **Senator Stennett** stated this practice is both a public safety and a public health issue. She noted the Idaho State Police (ISP) had noticed an increasing amount of this activity, but the statute does not currently have enough "teeth" to allow them to penalize offenders. This would prohibit release of significant quantities of soot, smoke, or other particulate emissions while operating a moving vehicle, or modifying diesel vehicles to produce more of these emissions. Penalties would be a misdemeanor if occurring while operating a moving vehicle, or an infraction if the vehicle is stopped at a stop light. **Senator Stennett** noted she would like this legislation to be sent to the 14th order for amending.

Senator Hagedorn asked how "significant quantities" was defined in the legislation. **Senator Stennett** stated some had concerns about old diesel trucks, but noted this amount of emission is much larger than normal, and incidents like this are purposefully done and involve modified vehicles. She also noted that ISP was able to differentiate between the two with ease. **Senator Hagedorn** gave an example of his vehicle and asked how an officer would differentiate between a coal rolling vehicle and his older diesel truck. **Senator Stennett** stated ISP was aware of how older vehicles can have larger emissions when towing, but also can tell the difference between modified vehicles and older diesel vehicles.

Senator Harris asked if the ISP had any method of enforcing this now. **Senator Stennett** stated right now it was treated as a non-moving violation, which was an infraction, but it was easier to emit while moving, so adding the misdemeanor while moving would help ISP.

Senator Den Hartog stated she shared Senator Hagedorn's concerns about the definition of "significant quantities." **Senator Stennett** stated she would be open to looking for other language.

TESTIMONY:

Tyrel Stevenson, testifying as a private citizen, stated he was concerned with language about vehicle modifications that add power but also result in higher emissions levels. **Mr. Stevenson** noted he was a diesel modification enthusiast.

Frank Leone, General Manager of Georgia Cycles, testified in support of the bill. **Mr. Leone** stated these vehicles can startle riders and cause injuries, and the smoke can obstruct visibility. He noted many of his workers and customers have complained about this issue, and the practice negatively affects his business.

Lisa Brady, Board President of the Treasure Valley Cycling Alliance and Director of the Safe Routes to School program in Boise, spoke in favor of the bill. **Ms. Brady** noted she uses videos about coal rolling in driver's education classes to show the danger of the practice. She stated the startling effect of the practice can create accidents and is dangerous for cyclists.

Senator Winder asked if Senator Stennett had clarified the language about whether people or vehicles were responsible. **Senator Stennett** stated that language would need to reflect the will of the person emitting the vehicle as well as the vehicle doing the actual emitting, and it would go to the amending order for that.

Senator Hagedorn asked about which penalties would be assessed in certain situations. **Senator Stennett** clarified when each type of penalty would be assessed.

MOTION:

Senator Lodge moved to send **S 1130** to the 14th order for possible amendment. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**. Senator Stennett will carry the bill on the Senate floor.

GUBERNATORIAL APPOINTMENT:

Appoints John D. Blakley of Nampa, Idaho to the Aeronautics Advisory Board commencing February 10, 2017 and expiring January 31, 2022.

Chairman Brackett invited Mike Pape, Administrator of the Idaho Division of Aeronautics, to introduce Mr. Blakley to the Committee.

Mr. Pape clarified the duties of the Aeronautics Advisory Board, including making sure the needs of stakeholders were met, and spoke about the importance of aeronautics in Idaho given the sometimes difficult geography of the State.

Mr. Pape stated Mr. Blakley was a 35 year commercial pilot and co-owner of AvCenter Incorporated at several airports in Idaho.

John Blakley, owner of AvCenter Incorporated, stated he was approaching his 25th anniversary of making his living flying airplanes. AvCenter also owns McCall Aviation and he stated he works with anything from single-engine Cessna's to business jets. They pride themselves on their aviation history, and they fly ambulance and fire fighting operations as well as commercial flights. **Mr. Blakley** stated they have a broad perspective on aeronautics in Idaho.

Senator Winder stated the importance of the Aeronautics Advisory Board from both a fiscal and an economic standpoint to the State and asked what kind of increases in aviation might be occurring in Idaho. **Mr. Blakley** stated from his experience more people are flying the backcountry. Also, the aviation environment in Idaho has become popular nationwide. It has greatly expanded recently because there are some issues with the number of people accessing Idaho. He thought some controls might need to be considered. **Mr. Blakley** said there is interest and foundational funding to address some of these issues, because aviation will continue to grow.

Senator Hagedorn asked about Mr. Blakley's party affiliation, which had changed recently. **Mr. Blakley** stated he mistakenly wrote down the wrong affiliation because he was not sure.

Chairman Brackett thanked Mr. Blakley for his willingness to serve the State of Idaho and noted a vote on his appointment would take place at the next meeting of the Committee.

S 1121

Creates a fund for the Safe Routes to School Healthy Kids Program within the Local Highway Technical Assistance Council (LHTAC). **Chairman Brackett** noted that **RS 25294C1**, which became **S 1121**, was printed via a Unanimous Consent buckslip of all Committee members sending the RS to the Senate Judiciary and Rules Committee for print. He invited Cynthia Gibson, Executive Director of the Idaho Walk/Bike Alliance, to present **S 1121**.

Ms. Gibson stated **S 1121** intends to establish a Safe Routes to School Healthy Kids program by reducing traffic related injuries and fatalities, and increasing opportunities for daily activities by increasing access and reducing disease by promoting a healthy lifestyle. This will create safer infrastructure and promote healthier living. **Ms. Gibson** stated there are five components: 1.) infrastructure, such as sidewalks and paths; 2.) law enforcement, to make sure motorists and bicyclists ensure traffic laws; 3.) education, to instruct pedestrians where and how to walk; 4.) bicycle instruction, so children can learn how to ride a bike safely and learn the proper hand signals, and encouraging activities to build a familiarity with infrastructure; and 5.) evaluation, to document trends and attitudes as the program is implemented and to make ongoing improvements. **Ms. Gibson** stated this legislation would improve community engagement and economic opportunity, and help students learn by getting them active on the way to school.

Senator Harris asked Ms. Gibson to explain how the plan would be funded. **Ms. Gibson** stated this bill was strictly a policy bill and this was the first step in the process; she stated the funding would be looked for later.

Senator Den Hartog asked why non-infrastructure projects were included in the policy bill. **Ms. Gibson** stated they wanted to provide as much information as possible to give a complete overview of the project, and the non-infrastructure projects were a big part of the program.

Senator Hagedorn voiced his concern with a portion of the bill directing all unobligated moneys into the fund. **Ms. Gibson** stated she would reword that portion of the bill.

TESTIMONY:

Senator Johnson came to testify in support of the bill, stating he had worked with Ms. Gibson on the bill and noted he prefers walking over driving. He stated both kids and the elderly should be considered when moving forward, and both benefit from walking and biking as modes of transportation. **Senator Johnson** said creating the fund was an important first step to begin doing positive things.

Senator Den Hartog stated roads and highways are primarily user fee system, and asked if user fees would be considered for this project as well. **Senator Johnson** said localities could consider a bike fee option and there are federal dollars that could be appropriated towards this project. He stated he is not a fan of using General Fund dollars for transportation but would be open to using General Fund moneys for alternative modes of transportation.

Erin Bennett, Government Relations Director for the American Heart and American Stroke Associations, testified in support of the bill. She noted far fewer children walk or bike to school, from 47 percent to 13 percent since the 1960s. This bill would help children reach the 60 minutes of minimum recommended activity per day. She noted healthier kids become healthier adults, and exercise helps increase education outcomes. She urged the Committee to pass **S 1121**.

Senator Den Hartog asked Ms. Bennett if she had any insight on why so many fewer children walk to school. **Ms. Bennett** said fewer people are engaged in communities and some people do not trust their neighbors. Parents tend to be busy and want to get kids to school as fast as possible rather than organizing methods to walk kids to school.

Lisa Brady, Director of the Treasure Valley YMCA Safe Routes to School Program in Boise, stated they are an educational encouragement and evaluation program. The program has been operating since 2007, and they educated more than 11,000 students last year. **Ms. Brady** stated many school districts are also interested in this program. She said they are teaching the proper way to use crosswalks and bike, and said one of the biggest barriers was schools' reluctance to find out why kids aren't walking. She asked the Committee to pass the bill as it was very important to her.

Senator Harris asked if there was an increase in use in areas where the program was active. **Ms. Brady** stated there is an increase depending on the season and circumstances. She stated the location of the school was very important and noted greater success occurred in neighborhoods closer to the schools. She noted schools are not required to pass that information along, so instead they mostly conduct visual observation.

Scot Oliver, Executive Director of Idaho Smart Growth, a statewide nonprofit that provides education and training on a variety of community issues, stated his organization has been involved with Safe Routes to School for many years. He informed the Committee of a pamphlet he had available explaining the benefits of the program. **Mr. Oliver** noted that these programs don't just benefit schoolchildren, but they also provide benefits like improved access for pedestrians and bikers, which attracts businesses and creates higher economic growth. **Mr. Oliver** hoped the Committee would send this bill along with a "do pass" recommendation.

Francoise Cleveland, Associate State Director of Advocacy for AARP Idaho, spoke in support of **S 1121** on behalf of the State's AARP members. **Ms. Cleveland** noted that if crosswalks are safe for kids, they are also safe for the elderly. She noted pedestrian fatality rates increase as age increases, and many older adults have difficulty getting around in a similar way as children. She urged the Committee to create infrastructure such as benches, sidewalks and emergency communication equipment along the roads; she reaffirmed her support for **S 1121**.

Matthew Conde, speaking on behalf of AAA Idaho, noted that AAA and their School Safety Patrol program has been involved in getting kids to school safely for decades by teaching personal responsibility and safety habits to young children. **Mr. Conde** presented a photo of a safety patrol member from the 1930s and stated improved pedestrian infrastructure helps improve healthy outcomes for children and people of all ages.

Ken Burgess, representing COMPASS, the Community Planning Association of Southwest Idaho, stated COMPASS supported this bill. COMPASS does comprehensive transportation planning, not just roads and public transportation but pedestrian aspects as well. He reiterated COMPASS supports the bill and hopes the Committee will move it forward.

Joe Wyatt, a resident of Boise, stated his son Maximo was hit riding his bike home from school. He presented the helmet Maximo was wearing at the time, which was badly damaged. **Mr. Wyatt** noted he and his wife frequently commute to work and would ride their bikes home with Maximo from school. **Mr. Wyatt** related the tale where a van hit Max, dragged him for 40 feet, and he was pinned under it. Eventually they were able to get help and lift the van, but Max almost died at the scene. Maximo is still alive, but has deep physical and psychological scars from the accident. Max had to receive skin grafts from the motor burns on his chest. **Mr. Wyatt** said he hoped nobody would go through the same traumas as Max and his family. It took a year for Mr. Wyatt to be able to become active in his community again.

Chairman Brackett thanked Mr. Wyatt and expressed his sincere condolences on behalf of the Committee.

Senator Winder also thanked Mr. Wyatt and asked how Max was doing now, noting the media had been reporting on his progress. **Mr. Wyatt** stated Maximo was doing better but still would not ride his bicycle.

Courtney Wyatt, Maximo's mother, thanked the Committee for the opportunity to testify. At the time of the accident Ms. Wyatt was in the mountains, and she expressed her gratefulness that she was able to be picked up by helicopter immediately. She detailed Max's injury and stated he was in the hospital for two and a half months after the accident. **Ms. Wyatt** also explained the long recovery process Max had to go through, and stated they were grateful to be able to advocate on behalf of Max and others. She stated the Safe Routes to School program is having an impact and has the potential to have an even bigger impact. She noted Max's accident led to changes in the test to the driver's license examination. **Ms. Wyatt** urged the Committee to help make changes to protect more of Idaho's children.

Senator Buckner-Webb thanked the Wyatts for coming and presenting and making the issue real for those on the Committee. She stated they had touched her heart.

Frank Leone, General Manager of Georgia Cycles and Fitness, to testify in favor of **S 1121**. He stated that parents are concerned about children walking to school because of the lack of safe routes. He stated his organization supports the work of the Safe Routes to School program.

Jimmy Hallyburton, Executive Director and Founder of the Boise Bicycle Project, came to testify in support of the bill. He noted the Boise Bicycle Project has donated 5,000 bicycles to the community and expressed his support for the Wyatts and those who still choose to walk or bike to school. He noted many kids do not have other transportation options and must walk or bike to school. Whether routes are safe or not, they must make that journey. **Mr. Hallyburton** expressed his support for Ms. Brady and everyone else that came to testify in favor of the bill.

**CLOSING
REMARKS:**

Ms. Gibson noted many children are not meeting the requirement of 60 minutes of physical activity; walking to and from school would make up most of that. She also stated that if infrastructure is put in place and education is given, there could be up to a 43% increase in pedestrians, according to several studies, including one from Active Living Research. **Ms. Gibson** also noted more elderly people are aging in their homes and having a safe walking infrastructure would allow them to maintain their mobility and independence. She noted that although this is only a policy bill, it is an important first step in fixing a problem that has developed over a long period of time. **Ms. Gibson** asked the Committee to give the bill a "do pass" recommendation.

Senator Hagedorn corrected an earlier statement he had made regarding funding, noting it would only apply to unallocated money in this particular fund created by this legislation.

MOTION:

Senator Hagedorn moved to send **S 1121** to the floor with a **do pass** recommendation. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**. Chairman Brackett will carry the bill on the Senate floor.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:55 p.m.

Senator Brackett
Chair

David Bujarski for

Gaye Bennett, Secretary

AMENDED AGENDA #1
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Tuesday, March 07, 2017

SUBJECT	DESCRIPTION	PRESENTER
MINUTES	Approve Minutes of February 14, 2017.	Senator Keough and Senator Lodge
VOTE ON GUBERNATORIAL APPOINTMENT	New appointment of John D. Blakley of Nampa, Idaho to the <u>Aeronautics Advisory Board</u> commencing February 10, 2017 and expiring January 31, 2022.	Chairman Brackett
<u>SCR 116</u>	Concurrent Resolution to comply with legislative intent in 2015's H312 to undertake and complete a study on specific vehicle registration and operating fees.	Chairman Brackett
<u>H 156</u>	Defines an 8.5 foot wide "Park Model Recreational Vehicle" to eliminate the difference between it and those that are wider.	Jack Lyman, Idaho Housing Alliance

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb
Sen Hagedorn	

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, March 07, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

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

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.

MINUTES APPROVAL: **Senator Keough** moved that the Minutes of Tuesday, February 14, 2017 be approved. **Senator Lodge** seconded the motion. The motion passed by **voice vote**.

VOTE ON GUBERNATORIAL APPOINTMENT: **Chairman Brackett** asked for a motion on the new appointment of John D. Blakley of Nampa, Idaho to the Aeronautics Advisory Board to serve a term commencing February 10, 2017 and expiring January 31, 2022.

MOTION: **Senator Winder** moved that the appointment of John D. Blakley to the Aeronautics Advisory Board be confirmed. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**. Senator Lakey will carry the appointment on the Senate floor.

SCR 116 **Concurrent Resolution to comply with legislative intent in 2015's H312 to undertake and complete a study on specific vehicle registration and operating fees.** **Chairman Brackett** said he had asked for unanimous consent from the floor to send **SCR 116** back to Committee for a hearing. He believed the Committee should make a decision on this Concurrent Resolution that calls for a interim-committee to study fees outlined in H 312 (2015). The intent of H 312 (2015) was to study if the Legislature should impose fees on all commercial vehicles and farm equipment exceeding 60,000 pounds with an annual registration fee. Also, the study would consider the possibility of imposing a quarterly operating fee based on weight class for all miles driven on Idaho roadways.

MOTION: **Senator Winder** moved that **SCR 116** be sent back to the floor with a **do pass** recommendation. **Vice Chairman Nonini** seconded the motion. The motion passed by **voice vote**. **Chairman Brackett** would carry the bill on the Senate floor.

H 156 **Defines an 8.5 foot wide "Park Model Recreational Vehicle" to eliminate the difference between it and those that are wider.** **Chairman Brackett** invited Jack Lyman of the Idaho Housing Alliance to present **H 156**.

Mr. Lyman said Park Model Recreational Vehicles (PMRV) are designed to be parked in recreational vehicle (RV) resorts, campgrounds, or where smaller units can be lived in for recreation and seasonal use. They are referred to as park trailers which are defined as recreational vehicles in Idaho Code § 39-4202; there are three other definitions of park trailers in Titles 49, 55 and 63 with some inconsistency.

H 156 provides a single definition of PMRVs that conforms with current national standards. Idaho Code allows that PMRVs that are 8.5 feet wide must be titled, but wider models are not allowed to be titled. This legislation allows for titling of PMRVs regardless of width. Titling of PMRVs will facilitate financing because lender's can file a lien against that title as collateral for a loan. Being able to finance them will likely lead to increased production in the five factories in Idaho.

Senator Keough asked if on page 10, lines 25 to 34 means that PMRVs would qualify under this new language. **Mr. Lyman** said they would unless they are placed on permanent foundation, attached to buildings, or are substantially modified (i.e., treating them like a permanent residence).

Senator Buckner-Webb asked if the unit was not permanently attached to a foundation, it would be considered a PMRV. **Mr. Lyman** agreed it would be considered a PMRV if the owner wanted to sell it as a PMRV. To do this, however, the owner would need to first license it with the county.

TESTIMONY:

Chairman Brackett recognized Justin Baldwin, Gooding County Assessor and Legislative Committee Chair for the Idaho Association of County Assessors, to present testimony against the bill.

Mr. Baldwin stated that the County Assessors do not want PMRVs to be considered RVs. The Weiser, Idaho manufacturer told him that the homes they make are not regularly moveable as the sheet rock tends to crack if moved too many times. Idaho Code § 63-208 outlines County Assessors' primary duty which is to find and determine a market value on property. These values can be acquired from appraisals and the functional use of the property. Their opposition to **H 156** is that it comes from this background of actual and functional use. The assessors believe a PMRV should not be classified as an RV because they are not an RV. He concluded by suggesting that the definition of park models be left alone and cited an opinion of the Idaho Attorney General, which he distributed.

**CLOSING
REMARKS:**

Mr. Lyman said he disagreed with Mr. Baldwin's testimony. PMRVs are not HUD homes; they are not permanent, primary homes.

MOTION:

Vice Chairman Nonini moved to send **H 156** to the floor with a **do pass** recommendation. **Senator Keough** seconded the motion. The motion passed by **voice vote**. Senator Hagedorn was assigned to carry the bill on the Senate floor.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:58 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
Room WW53
Thursday, March 09, 2017

SUBJECT	DESCRIPTION	PRESENTER
MINUTES	Approve the Minutes of February 28, 2017.	Senator Den Hartog and Senator Harris
<u>H 204</u>	Defines personal delivery device and operator; the devices may operate on sidewalks.	David Catania and Teresa Molitor , Starship Technologies
PRESENTATION	LHTAC Road Scholar Training Program and Information	Laila Kral , Deputy Administrator of LHTAC

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett

Vice Chairman Nonini

Sen Keough

Sen Winder

Sen Hagedorn

Sen Den Hartog

Sen Lodge

Sen Harris

Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett

Room: WW33

Phone: 332-1332

email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, March 09, 2017

TIME: 1:30 P.M.

PLACE: Room WW53

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

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.

MINUTES APPROVAL: **Senator Den Hartog** moved to approve the Minutes of Tuesday, February 28, 2017. **Senator Harris** seconded the motion. The motion was approved by **voice vote**.

H 204 **Defines personal delivery device and operator; the devices may operate on sidewalks.** **Chairman Brackett** invited Teresa Molitor, a lobbyist representing Starship Technologies, and David Catania, spokesman for Starship Technologies, to present **H 204**.

Ms. Molitor said that there is a significant increase in people's behavior regarding what they want delivered and how often they want it delivered. E-commerce is growing by double digits every year and the delivery industry is having trouble keeping up with demand. As a response, Starship Technologies developed Personal Delivery Devices. Because they are new technology, Idaho Code does not have a framework for them. **H 204** sets up that framework and specifies conditions for these devices to operate in Idaho. She showed a newscast segment from Washington, D.C. where the devices are in use.

Mr. Catania said that Starship Technologies is two years old founded by the founders of Skype. They came up with the idea while participating in a NASA project to develop devices that could pick up rocks on the moon; they thought there would be a good application on Earth as well.

The company's headquarters are in Estonia, an eastern European Baltic nation. They have operations throughout Europe, and two operations in the United States – one in Redwood City, California and the other in Washington, D.C. If Idaho passes this legislation, it would be the second in the United States to do so.

The technology is geared to the last mile of delivery, where 50 to 70 percent of the cost of energy is exerted. This device can assist with that; two of several product types are: 1.) Star Technologies partners with one of their principal investors, Mercedes, with "Motherships" which are vans carrying eight of the devices that are dispatched for delivery from the van's location; and 2.) Star Technologies partners with retail stores where the devices are housed and can be ordered from the retailer. They are implementing an extremely exponentially exploding area of e-commerce.

Vice Chairman Nonini asked if the devices were programmed to move the way it was moving in Committee or was there another way. **Ms. Molitor** clarified that she was moving the device.

Senator Lodge asked what are the safety measures; how easy is it to vandalize. **Mr. Catania** said the device is locked during transit and only the individual ordering the items inside could unlock the device from a unique identifier on their cell phone. It is sturdy and it cannot be stolen because of the nine cameras and eight sonic sensors. If there is a disruption, there is a two-way audio and the human operator will tell the individual to refrain from disturbing the device. There are multiple GPS and backup programs so the device can be found. There has never been an issue of violence or theft. **Senator Lodge** asked if it had audio built into it. **Mr. Catania** said yes, it has two-way audio. If there's a problem, the human operator can communicate with the individual at the device.

Senator Hagedorn asked about the Mothership that disburses eight of these devices for delivery. Will the van's driver stay in the area until all eight return? **Mr. Catania** said the way it's managed is the people who ordered the devices insert a delivery time convenient for them and the device will arrive at the time requested.

Vice Chairman Nonini asked about the protections to ensure minors don't purchase cigarettes or alcohol. **Mr. Catania** said that both cigarettes and liquor cannot be ordered in the United States. In Europe, only legal items can be sent.

Senator Harris asked if there is liability insurance in case one is hit. **Mr. Catania** answered yes, but so far it has not been an issue. For safety, there is a sensor bubble of 15 feet around the device. If an object is in front, the device will see the object before it is hit. If the device were to be hit, it simply shatters.

Senator Den Hartog wanted to know why Idaho? **Mr. Catania** had met with legislators around the United States and Idaho was the perfect location for testing the device.

Senator Lodge asked where it was manufactured. **Mr. Catania** said that its parts come from around the world, but it is built in Estonia where they have a big factory. They are looking for a place to manufacture them in the United States.

Senator Lodge inquired into the attributes of the workforce they need. **Mr. Catania** said they need electrical engineering skills, they require the capabilities to create 3-D maps of the areas they serve, and it being an unfolding field, they need generally skilled people.

Chairman Brackett asked what about multi-story buildings? **Mr. Catania** said it cannot do multiple steps, but some buildings are programming their elevators' software to work with the device.

Senator Hagedorn wanted to know if its low, short design was intentional or are there other models. **Mr. Catania** said the terrain of the jurisdiction will determine the design and weight of the device.

**CONCLUDING
REMARKS:**

Ms. Molitor concluded her presentation by going through the sections of the bill. She reminded the Committee that Idaho was on the short list for this device.

Chairman Brackett asked if the robot would be available for personal ownership. **Ms. Molitor** said that "no" was the short answer.

Senator Hagedorn was curious about the two-way communication and what was the rules for keeping personal information; is there a privacy issue. **Mr. Catania** responded that there is an audio and a video perspective, but when it is in autonomous mode there is a high resolution. Information is transmitted to Estonia, the business headquarters, but is not stored.

Vice Chairman Nonini asked if there were other dimensions they're looking at other than this 35 pound, four to six mile per hour model. **Mr. Catania** said this was an emerging industry. They have, literally, built-in some room to grow.

Chairman Brackett asked if there were refrigeration units. **Mr. Catania** said it is under consideration.

MOTION: **Vice Chairman Nonini** moved that **H 204** be sent to the floor with a **do pass** recommendation. **Senator Lodge** seconded the motion. The motion pass by **voice vote**. Chairman Brackett will carry the bill on the floor.

PRESENTATION: **LHTAC Road Scholar Training Program and Information.** **Chairman Brackett** invited Laila Kral, Deputy Administration of the Local Highway Technical Assistance Council (LHTAC), to begin her presentation.

Ms. Kral said that Technology Transfer (T2) centers conduct affordable classes covering the latest information on road maintenance procedures and technologies. The Federal Highway Administration (FHWA) funds the centers with a 50% match housed at and supported by LHTAC. T2 centers provide assistance in the areas of safety, professional development, and maintenance. They offer in-person training courses across the State as well as online. LHTAC also produces a quarterly newsletter, a monthly Tech News for technical assistance, offers a free road safety audit survey for local agencies, and informs locals about FHWA webinars.

Ms. Kral continued by explaining the Road Scholar/Road Master programs. The programs are a way for local road professionals to be recognized for successfully completing a series of training courses. The program curriculum is designed to provide participants with the fundamentals of safety, management, and advanced technologies, as well as exposure to a wide variety of other topics relevant to transportation. Through this program, local agencies are able to provide an opportunity to develop their greatest asset, their employees. Safety Fest is an annual training event that offers free safety and health training to workers, supervisors, and managers of all levels.

LHTAC's Council scores funding applications as well as makes recommendations to the Idaho Transportation Board (ITB) on State projects. They provide general supervision over the operation of LHTAC with regard to determining its programs, mission, policies, and goals. The Council has established an annual budget for the maintenance and operation of LHTAC, and maintained a positive and open working relationship with the Idaho Transportation Department (ITD).

Ms. Kral said that LHTAC administers federal-aid by soliciting applications from eligible local agencies and ensuring that federal-aid standards and requirements are met. Council members independently score applications and submit them to LHTAC staff. Finally, through a stewardship agreement with ITD, LHTAC assists local highway jurisdictions in administering projects by negotiating the scope of the project, reviewing its plans, managing contracts, and disseminating general information. In short, LHTAC provides the best and most efficient assistance to every local highway jurisdiction in Idaho.

Chairman Brackett asked about funding. **Ms. Kral** said LHTAC receives \$150,000 in federal funding which must be matched; \$25,000 comes from ITD and \$125,000 from local jurisdictions.

Senator Hagedorn asked who pays the fees associated with the classes. **Ms. Kral** said that the majority of the classes have a fee of \$60 for early registration; heavy equipment and ACCESS classes have higher fees. She said LHTAC offers some scholarships, but mostly the fees are paid by the organization the trainees are associated with.

Chairman Brackett asked where LHTAC finds instructors for the classes they offer. **Ms. Kral** they come mainly from retired ITD employees and from T2 centers.

ADJOURNED: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:33 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AMENDED AGENDA #1
SENATE TRANSPORTATION COMMITTEE
1:00 P.M.
Room WW53
Tuesday, March 14, 2017

NOTE CHANGE OF TIME

SUBJECT	DESCRIPTION	PRESENTER
	<u>MEETING TIME CHANGED TO 1:00 P.M.</u> <u>UNTIL APPROXIMATELY 2:30 P.M.</u>	
MINUTES	Approve the Minutes of February 23, 2017.	Senator Winder and Senator Hagedorn
<u>H 111aa</u>	Increases the license plate fee and removes from Idaho Code those specialty license plate programs that have been canceled for over a year.	Pat Carr , ITD's DMV Policy and Program Manager
<u>H 131aa</u>	Changes to Idaho Code that would not allow automobile dealers or sales people who have been convicted of a crime pertaining to the automobile business to obtain a new dealer or sales license until after an appropriate amount of time has passed or restitution has been made.	Bob Petersen , Board Member of the Idaho State Independent Automobile Dealers
PAGE FAREWELL	Recognizing Anika Draper of Idaho Falls, Idaho for her service as Committee Page .	Chairman Brackett
<u>HCR 24</u>	Rejection of Idaho State Police's Administrative Rule pertaining to requiring Electronic Logging Devices (ELD). This rule was approved by the Senate Transportation Committee on January 19, 2017.	Representative Dixon

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett	Sen Den Hartog
Vice Chairman Nonini	Sen Lodge
Sen Keough	Sen Harris
Sen Winder	Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
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Sen Hagedorn

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, March 14, 2017

TIME: 1:00 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Ackerman(Den Hartog), Lodge, Harris, and Buckner-Webb

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.

CONVENE: **Chairman Brackett** convened the meeting of the Senate Transportation Committee (Committee) at 1:04 p.m.

MINUTES APPROVAL: **Senator Hagedorn** moved that the Minutes of February 23, 2017 be approved. **Senator Winder** seconded the motion. The motion was approved by a **voice vote**.

H 111AA **Increases the license plate fee and removes from Idaho Code those specialty license plate programs that have been canceled for over a year. Chairman Brackett** invited Pat Carr, Idaho Transportation Department's (ITD) Department of Motor Vehicles (DMV) Policy and Program Manager, to present **H 111aa**.

Ms. Carr said that **H 111aa** requests a fee increase of 75 cents per license plate. Costs for the manufacture, production and distribution of license plates have continued to rise incrementally over many years, while the cost of producing a plate has not changed in over 20 years. The current fee is \$3.00 per plate of which 50 cents goes to the Idaho Heritage Trust Fund for the copyright design of the red, white, and blue Idaho license plate background. License plates identify a vehicle and determine whether registration fees have been paid. Plates must be replaced every seven years because the reflective covering that makes them easily readable is only guaranteed for that long. Given the current cost of license plates, it is less than 50 cents per year per plate to the owner. ITD contracts with Correctional Industries for the manufacture and distribution of license plates, and they purchase materials and lease the equipment to produce license plates. **H 111aa** also repeals several sections of Idaho Code for specialty license plates that have been canceled over the years and are no longer applicable; in addition, there are two technical corrections. **Ms. Carr** concluded by going through the sections of the bill.

Vice Chairman Nonini asked for the definition of "adequate cash balance" as appear on page 5. **Ms. Carr** responded that it was an estimated figure based on the plates; staff would make that determination. She called on Alan Frew, ITD's Administrator of DMV, to clarify. **Mr. Frew** said that in 2009 there was a transfer of \$1 million from the Highway Distribution Account (HDA) to the Plate Manufacturing Account (PMA); the language on page 5 allows discretion to ensure sufficient funds are always in the PMA.

Chairman Brackett asked if there are transfers of the funds over \$1 million back into the HDA. **Mr. Frew** replied no because the funds are utilized for license plate production, which supports passage of this legislation to help avoid shortfalls.

Senator Hagedorn wanted the cost per license plate for each input to production when Correctional Industries makes a license plate. **Ms. Carr** said she would have to send that information.

Senator Den Hartog asked when Idaho made the change to laser printed plates from imprinted license plates. **Ms. Carr** guessed it was around 2000. **Senator Den Hartog** wanted information on the cost decrease with specialty license plates. **Ms. Carr** was unaware of a decrease in costs. **Mr. Frew** corrected that it changed between 2000 and 2005, which deferred a price increase for many year by going to the flat plate. Currently each plate costs more than the revenue ITD receives on plates; DMV has planned a meeting with Correction Industries to go over these numbers.

Chairman Brackett asked what the savings per plate was at the time of changing to a flat plate. **Mr. Frew** said the imprinted plate was labor intensive; the laser plate is thinner metal.

Senator Hagedorn remembered that DMVs carried large inventories of imprinted license plates; he asked if there was a cost savings for the new order-as-you-go system. He also inquired about the shipping charge when ordering a plate online and whether it was covered in the price of the plate. **Ms. Carr** said that counties still order large numbers of plates, but she was not sure if shipping charges were covered in the price of a license plate.

MOTION:

Senator Winder moved to send **H 111aa** to the floor with a **do pass** recommendation. **Senator Keough** seconded the motion. The motion passed by **voice vote**. Senator Keough will carry the bill on the floor.

H 131AA

Changes to Idaho Code that would not allow automobile dealers or sales people who have been convicted of a crime pertaining to the automobile dealership business to obtain a new dealer or sales licenses until after an appropriate amount of time has passed or restitution has been made.

Chairman Brackett invited Bobby Petersen, a board member of the Idaho State Independent Automobile Dealers, to present **H 131aa**.

Mr. Petersen said there is a loop hole currently in Idaho Code that allows automobile dealers and sales staff who have been convicted of a crime based on their car business to immediately reapply for a new license to practice their trade. This applies even if they haven't made any restitution for their criminal activity. He mentioned two examples that he knew of; it is a statewide problem. Some go back multiple times and ITD cannot stop them from receiving a license because of this loop hole. This affects the integrity of the dealership industry. **H 131aa** requires that those convicted of a misdemeanor must wait three years after their first conviction and seven years for each subsequent conviction before applying for a license. For felony convictions, there is a ten year waiting period after the first and subsequent convictions. He concluded by stating that the current hearing process would remain intact for those disputing their license denial.

Senator Den Hartog asked how the three, seven, and ten year waiting periods were determined. **Mr. Petersen** replied that the interested organizations batted the time periods around, but ultimately the language came directly from the Attorney General.

TESTIMONY:

Kevin Hanigan, Vice President and Executive Director for the Idaho Automobile Association, said that his organization supports **H 131aa**. His organization represents new car dealers; this legislation will help both them and the independent dealers.

MOTION: **Senator Hagedorn** moved to send **H 131aa** to the floor with a **do pass** recommendation. **Senator Buckner-Webb** seconded the motion. The motion passed by **voice vote**. Senator Hagedorn will carry the bill on the floor.

PAGE FAREWELL: **Recognizing Anika Draper of Idaho Falls, Idaho for her service as Committee Page.** **Chairman Brackett** told Ms. Draper that it seemed like she had just arrived to serve as the Committee's Page and now it was time for her to graduate. He presented her with gifts from the Committee. **Chairman Brackett** then invited Ms. Draper to share her experiences as a Page.

Ms. Draper said she had enjoyed her time as a Senate Page. She said she had expanded her knowledge through observing Senate procedures and listening to legislative language that was new to her. Her plans include attending BYU-Idaho where she will minor in music and then plans to go on to a graduate school focused on Interior Design. She enjoys writing lyrics to songs, which Senator Hagedorn commented on. She shared she has played the piano for nine years.

HCR 24 **Rejection of Idaho State Police's Administrative Rule pertaining to requiring Electronic Logging Devices (ELD).** **This rule was approved by the Senate Transportation Committee on January 19, 2017.** **Chairman Brackett** said that Representative Dixon was not available to present because of the House of Representative's calendar, but that Senator Harris would present the bill.

Senator Harris began by stating that **HCR 24** is a concurrent resolution to reject the entire pending Idaho State Police (ISP) rule found in **Docket No. 11-1301-1603**. The rule pertains to truck drivers being required to maintain an electronic log device (ELD) that records mileage driven and location when the truck is in motion. The rule makes Idaho compliant with federal regulation requiring that truck drivers of trucks manufactured in 2000 and newer must have an ELD by December 2017. The Idaho House of Representatives rejected this ISP rule by passing **HCR 24**.

Senator Harris said there are two reasons why he was asking the Committee to support **HCR 24**: 1.) it is a government mandate; and 2.) the cost of an ELD falls on the owner operator and small companies. The cost ranges between \$1,500 and \$2,000 each, with the annual service cost being about \$600. If a truck motor must be replaced, the cost can be anywhere from \$18,000 to \$28,000; plus there are annual fees and taxes. He concluded by acknowledging he was fighting an uphill battle with the federal rule, but he believes it is not right.

Chairman Brackett said that if Senator Harris hauls his own cattle, there is an exception. **Senator Harris** said that he does haul his own cattle plus he hauls another rancher's cattle so there is no exception for him.

Senator Hagedorn said that if he's hauling cattle outside of Idaho, he would be required to have an ELD anyway. **Senator Harris** understood that if this rule is rejected it will only pertain to hauling within Idaho.

TESTIMONY: **Dennis Tanikuni**, Assistant Director of Government Affairs for the Idaho Farm Bureau (IFB), asked the Committee to vote yes to reject this rule. He said the American Farm Bureau Federation had a specific policy addressing this issue, stating these are national policies affecting local businesses that must suffer from their negative effects. There have been few exceptions granted, but many industries are affected.

Senator Den Hartog said that ISP had provided a handout stating that industries still have to comply with ELDs outside of Idaho. She wanted to know how the IFB differs between the State rule and the national policy. **Mr. Tanikuni** said that agriculture is under the 150 air mile rule if a truck driver hauls his own commodity in his own truck. In commercial endeavors in Idaho, 150 miles on rural road systems can experience longer drive times than drivers in more urban states driving on highway systems.

Julie Pipal, President and CEO of the Idaho Trucking Association (ITA), said ITA represents 280 members of all sizes that employs directly or indirectly 30,000 Idahoans. Her board and membership also opposes mandates, but they realize that daily operations need to be considered. If this rule is rejected, carriers are still subject to comply with the LED rules. If the past is an indication, federal authorities will target Idaho carriers meaning contractors that hire independent Idaho operators will not hire those not compliant because they cannot afford the time lost when those loads are stopped. ITA supports the rule and asks the Committee to vote no.

Chairman Brackett asked about costs. **Ms. Pipal** said there are a lot of options for the carriers, but providers are waiting to register until the deadline. Costs for smaller providers is \$35 per month, includes installation in the vehicle; it is more if the vehicle chassis has been upgraded, ranging from \$35 to \$100 per month.

Chairman Brackett asked about the original cost. **Ms. Pipal** said those are subscriptions that includes the hardware. **Chairman Brackett** about purchasing a unit. **Ms. Pipal** said the firms she's dealing with only offer a subscription.

Chairman Brackett asked what is required with reporting and how does the ELD help in completing those reports. **Ms. Pipal** said the records are maintained for six months or more, but all that's required roadside is the last seven days of the logs and those reports can be produced on the ELD. **Chairman Brackett** asked what about one year later? **Ms. Pipal** deferred to Captain Horn with ISP for the length of time required for compliance reviews, but the drivers only have to be concerned with the seven days report.

Captain Tim Horn, ISP's Commercial Safety Section, believes it is two years that records have to be kept by carriers for safety situation or compliance review. Agriculture commodities are completely exempt from federal inspection in the State of Idaho. If a driver goes past the 150 air miles out of State, then they have to have an ELD. Idaho Code § 67-2901B describes all the exempt commodities in Idaho. As long as the truck remains intrastate, from the most southern border to the most northern border, the truck is exempt from federal inspection. He concluded by stating the most important thing about ELDs is that they have been proven to reduce serious crashes by 11.7 percent.

Chairman Brackett asked what attributes to the reduction in crashes. **Captain Horn** said that fatigue driving is one of ISP's most serious reasons and violations for crashes. He cited examples in Idaho of crashes resulting in truck drivers being way over on their driving hours. This affects not only the truck driver, but the general public; ELDs actually save money.

MOTION: **Vice Chairman Nonini** moved to hold **HCR 24** in Committee. **Senator Hagedorn** seconded the motion. The motion passed by **voice vote**. **Senator Harris** asked to be recorded as voting nay.

ADJOURNED: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:09 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

**AMENDED AGENDA #1
SENATE TRANSPORTATION COMMITTEE
1:15 P.M.
Room WW53
Thursday, March 16, 2017**

NOTE NEW MEETING TIME

SUBJECT	DESCRIPTION	PRESENTER
*** <u>MEETING TIME IS 1:15 P.M.</u> ***		
<u>S 1162</u>	Approves GARVEE bonding authority by the Idaho Housing and Finance Association (IHFA) in an amount sufficient to finance the original GARVEE corridors highway projects up to \$300 million. Selection of projects and allocation of GARVEE bond proceeds shall be the sole responsibility and duty of the Idaho Transportation Board.	Chairman Brackett
<u>S 1188</u>	Approves \$300 million GARVEE bonding for new construction of highway projects from the original GARVEE corridors list. Approves bonding authority for Idaho Housing and Finance Association (IHFA) to issue general bonds up to \$200 million for roads and bridges. It also includes extending the surplus eliminator and provides for a local option tax for highway projects.	Chairman Brackett

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett
Vice Chairman Nonini
Sen Keough
Sen Winder
Sen Hagedorn

Sen Den Hartog
Sen Lodge
Sen Harris
Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett
Room: WW33
Phone: 332-1332
email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, March 16, 2017

TIME: 1:15 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Ackerman(Den Hartog), Lodge, Harris, and Buckner-Webb

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 1:18 p.m. He welcomed Senator Steve Ackerman who was sitting in for Senator Den Hartog for the rest of the week.

HEARING PROCESS EXPLANATION: **Chairman Brackett** explained that he was going to present both **S 1162** and **S 1188**. He said that **S 1162** was introduced two weeks ago as a stand-alone Grant Anticipated Revenue Vehicle (GARVEE) federal bonding mechanism that allows states to fund highway projects. In the recent past, Idaho had worked with GARVEE bonds to move designated highway projects forward.

S 1188 replaces **S 1184** that replaced **S 1163**. **Chairman Brackett** said that following **S 1163**'s introduction, the Speaker of the House of Representatives (Speaker) contacted Chairman Brackett to inform him that there were several items he would like to be included in the legislation. **S 1163** was fine tuned and became **S 1184**. **S 1188** is a result of multiple corrections to language that was caught late and was incorporated that morning, too many for technical corrections. The intent and sections from **S 1184** remain intact.

Chairman Brackett continued that several weeks prior he had been approached about developing a transportation funding bill; the House wanted it to begin in the Senate. He met with stakeholders and interested legislators, and over time agreed on possible components for legislation. The House wanted the surplus eliminator that will sunset if not included; the no sales tax on building materials was Senator Rice's legislation from a previous legislative session; the Idaho State Police (ISP) had concerns and needed a designated revenue stream; and the idea of general bonding for transportation projects originated in the House. The consensus was that something had to be done for transportation funding. After many drafts and rewrites, **S 1188** was the resulting legislation.

There are questions about **S 1188** such as raising revenue usually begins in the House. The golden thread, however, that connects all these concerns is funding transportation projects. There is also a severability clause which means if parts of the bill are removed, the remainder can go forward. **Chairman Brackett** says that those wishing to testify will be able to following his presentation and questions from the Committee.

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

S 1162

Approves GARVEE bonding authority by the Idaho Housing and Finance Association (IHFA) in an amount sufficient to finance the original GARVEE corridors highway projects up to \$300 million. Selection of projects and allocation of GARVEE bond proceeds shall be the sole responsibility and duty of the Idaho Transportation Board. Chairman Brackett believed the Committee was familiar with the intent of **S 1162** because it was the stand-alone GARVEE legislation. It makes the Idaho Transportation Board (ITB) solely responsible in prioritizing which of the remaining original corridor projects should be chosen for allocating GARVEE bonding proceeds. The project removed was known as Indian Valley.

S 1188

Approves \$300 million GARVEE bonding for new construction of highway projects from the original GARVEE corridors list. Approves bonding authority for Idaho Housing and Finance Association (IHFA) to issue general bonds up to \$200 million for roads and bridges. It also includes extending the surplus eliminator and provides for a local option tax for highway projects. Chairman Brackett turned his focus to **S 1188**.

Chairman Brackett said the GARVEE portion caps at \$300 million for new construction of the highway transportation projects listed on page 3; the ITB will be responsible for prioritizing the projects and the process, which is similar to Idaho's previous use of GARVEE funding. IHFA has reviewed and approved the bonding authority language.

The bill also approves \$200 million in general bonding authority to finance projects ITD may select to improve safety, opportunities, reduce congestion, and/or build capacity. Of this, 60% would be for State projects and 40% would be for local entities' projects. The funds available to each can be used to finance debt service on the bonds or for new road or bridge construction projects.

Other components of **S 1188** include: 1.) exempts sales tax on materials used for roadway construction and maintenance; 2.) eliminates the 5 percent transfer from the Highway Distribution Account (HDA) to the Law Enforcement Account (LEA), but beginning in fiscal year 2018, 1.185 percent or \$17 million of sales taxes would be distributed to the LEA; 3.) the sunset on cigarette tax distribution would be lifted from GARVEE to the new Capacity, Safety, and Congestion Mitigation Program Fund (CSCM Fund); 4.) the \$5 million for water recharge projects would continue; 5.) creates, based on approval of a majority of local voters, a local option sales tax of up to 1 percent to levy for specific transportation projects which would sunset when the project is completed; and 6.) directs the Joint Legislative Oversight Committee (JLOC) to have the Office of Performance Evaluation (OPE) conduct an independent evaluation of the Local Highway Technical Assistance Council (LHTAC).

Chairman Brackett said that moving ISP off the HDA formula would not decrease their funding, and according to the Legislative Services Office (LSO), it would only result in a time lag. The amount to ISP is expected to grow with the economy in the future beyond the initial amount of \$17 million. **Chairman Brackett** concluded by going through the bill section by section, ending with a reminder there was both an emergency and a severability clause in the bill.

Senator Keough referred to page 7, lines 21 to 24, and asked how many counties were over 175,000 in population. **Chairman Brackett** said currently there are two; this is targeted in order to address capacity, safety, congestion, and mitigation.

Senator Harris asked if that since this bill raises money through bonding if it should have been started in the House of Representatives. **Chairman Brackett** said the House asked that the Senate begin legislation with the common, golden thread being transportation. **Senator Winder** added that bonding authority is not considered a revenue measure.

Senator Harris observed this legislation added two new statutes to the existing 14 statutes dealing with sales tax; what effect do those two have on the 14 existing statutes? **Chairman Brackett** responded it would not affect existing obligations, or they are held harmless. Even in the worst of times, sales tax receipts amount to millions.

TESTIMONY:

Kelli Brassfield, Idaho Association of Counties, said her organization has not taken a position on **S 1188** because it was just published before this hearing, but it does support **S 1184**. Given the hard winter that played havoc with Idaho's roadways, this would help alleviate some of the stress their members have with road maintenance.

Grant Petersen, Jr. with Bronco Motors and the Idaho Center Auto Mall in Nampa strongly supports the legislation. The Idaho Center Auto Mall is the largest in the Pacific Northwest. Their employees live in Ada County and commute to Canyon County and vice versa. This past winter severely damaged the roadways with pot holes and other problems, making commute times longer and safety a bigger consideration. Idaho has to invest in its infrastructure and improve the quality of life for its citizens.

Senator Keough asked if Mr. Petersen would have the same level of support for an increase in the gasoline tax. **Mr. Petersen** responded that was not part of **S 1188** and, therefore, he had no opinion on that possibility at this time.

Dave Carlson, Director of Public Affairs of AAA Idaho, explained his history with transportation funding, including with the Governor's Task Force. AAA is focused on three issues: mobility, safety, and protecting consumers' rights and responsibilities. AAA Idaho represents 130,000 members in Idaho. Some of the policies in **S 1184** mirrors AAA's national policy declarations. This bill is more about financing. It confuses that portion with the other policy changes in the bill. AAA would like to see those parts taken up separately so that Idahoans have an opportunity to participate in the discussion. **Mr. Carlson** said he made these views known to the leadership in the House. AAA Idaho has no position on this bill.

**CLOSING
REMARKS:**

Chairman Brackett said there were enough omissions, like changing language in the local option sales tax section from "made" to "shall", or referencing a "plan" to now a "transportation plan", etc., which made him thank LSO and JFAC staff for their tireless efforts.

He pointed out that the surplus eliminator is not a stable source of revenue because it varies from year to year. Local cities and counties have unfunded projects that can put this funding to good use. Using general funds for transportation is unusual; the surplus eliminator strikes a balance in funding. Not to confuse the issue, the \$54 million allocated earlier this year to help with the winter road damage is under FEMA guidelines and not part of this bill.

Chairman Brackett concluded that the fuel tax should have been raised when the legislature had that opportunity, but there was no appetite for it at that time or now. Finally, the ITB has the option to blend funds for maintenance and rebuilding.

**PASSED THE
GAVEL:**

Vice Chairman Nonini returned the gavel to Chairman Brackett.

MOTION: After thanking Chairman Brackett and those involved with writing the legislation, **Senator Winder** moved that **S 1188** be sent to the floor with a **do pass** recommendation. **Senator Hagedorn** seconded the motion.

Senator Buckner-Webb said that funding our roads was absolutely critical and that she was particularly worried about road maintenance. She called for a roll call vote.

Senator Lodge voiced her opinion and concerns with aspects of each bill being considered. She plans on supporting the legislation to get it moving out of Committee.

Senator Hagedorn expressed his frustration with transportation spending in the State saying billions have been spent on transportation and there is still not enough to deal with the current infrastructure as the State grows. With technology improving, Idaho can no longer depend on fuel tax to fund transportation; the revenue stream is going away. **S 1188** has something for everyone to hate. What is not in this bill is revenue to invest in our roads currently. Other States take funds from general funds. Idaho has a billion dollar infrastructure and if something isn't done now, two years from now the issue will have to be addressed again.

Senator Winder lamented that if something isn't done now, the session would have difficulty adjourning in the timeframe expected.

Chairman Brackett commented that Idahoans are demanding something be done about the roads.

ROLL CALL VOTE: **Chairman Brackett, Senator Winder, Senator Hagedorn, and Senator Lodge** voted aye. **Vice Chairman Nonini, Senator Keough, Senator Ackerman, Senator Harris, and Senator Buckner-Webb** voted nay. The motion failed.

MOTION: **Senator Hagedorn** moved that **S 1162** be sent to the floor with a **do pass** recommendation. **Senator Lodge** seconded the motion.

SUBSTITUTE MOTION: **Vice Chairman Nonini** moved to send **S 1162** to the 14th Order for amendment. The motion died for lack of a second.

ROLL CALL VOTE: **Chairman Brackett, Senator Winder, Senator Hagedorn, Senator Lodge, and Senator Buckner-Webb** voted aye. **Vice Chairman Nonini, Senator Keough, Senator Ackerman, and Senator Harris** voted nay. The motion passed.

ADJOURNED: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 2:51 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
1:00 P.M.
Room WW53
Monday, March 20, 2017

SUBJECT	DESCRIPTION	PRESENTER
<u>S 1188</u>	Relating to Providing Moneys for Highway Construction and Maintenance.	Senator Brackett

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett

Vice Chairman Nonini

Sen Keough

Sen Winder

Sen Hagedorn

Sen Den Hartog

Sen Lodge

Sen Harris

Sen Buckner-Webb

COMMITTEE SECRETARY

Gaye Bennett

Room: WW33

Phone: 332-1332

email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Monday, March 20, 2017

TIME: 1:00 P.M.

PLACE: Room WW53

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

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 1:02 p.m.

S 1188 **Relating to Providing Moneys for Highway Construction and Maintenance.** **Chairman Brackett** presented **S 1188** and opened the proposed legislation for further discussion or a motion.

Senator Winder clarified for the Committee that **S 1188** was not a reconsideration.

MOTION: **Senator Winder** moved to send **S 1188** to the 14th Order for possible amendment. **Senator Lodge** seconded the motion.

Senator Den Hartog asked what items would be proposed for possible amendments. **Chairman Brackett** listed the following: \$200 million in general bonding; sales tax on materials; local option sales tax for transportation projects; and removing the "water-GARVEE" portion of the bill. The "water-GARVEE" portion would be a redirection of some of the cigarette tax following the finishing of the Capitol restoration. The bill currently directs \$4.7 million to make GARVEE payments, \$5 million for aquifer water recharge, and the remaining unallocated balance would go to the Idaho Transportation Department (ITD) for transportation projects with a sunset in 2019.

Senator Den Hartog asked if "general bonding" referred to general bonding authority. **Chairman Brackett** replied affirmatively.

VOTE ON MOTION: **Senator Nonini** asked if a roll call vote would be in order. **Chairman Brackett** called for a roll call vote. **Senators Harris, Buckner-Webb, and Vice Chairman Nonini** voted Nay. **Senators Keough, Winder, Hagedorn, Den Hartog, Lodge, and Chairman Brackett** voted Aye. The motion passed 6 to 3. **Chairman Brackett** said he would carry the bill on the Senate floor.

ADJOURNED: There being no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:13 p.m.

Senator Brackett
Chair

Jeanne Clayton, for

Gaye Bennett, Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
2:30 P.M.
Room WW53
Monday, March 27, 2017

SUBJECT	DESCRIPTION	PRESENTER
S 1206	<u>Transportation Funding</u> : GARVEE, surplus eliminator, sale tax for transportation, cigarette tax distribution.	Chairman Brackett

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett

Vice Chairman Nonini

Sen Keough

Sen Winder

Sen Hagedorn

Sen Den Hartog

Sen Lodge

Sen Harris

Sen Rohn(Buckner-Webb)

COMMITTEE SECRETARY

Gaye Bennett

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Phone: 332-1332

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MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Monday, March 27, 2017

TIME: 2:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Den Hartog, Lodge, Harris, and Rohn(Buckner-Webb)

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 4:05 p.m.

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

S 1206 **Transportation Funding: GARVEE, surplus eliminator, sales tax for transportation, cigarette tax distribution. Vice Chairman Nonini** invited Chairman Brackett to present **S 1206**.

Chairman Brackett said he would give a quick overview. **S 1206** contains: \$300 million in GARVEE, the surplus eliminator, a new fund established called the Transportation Expansion and Congestion Mitigation Fund, and finally, a redirection of some of the cigarette tax money.

Chairman Brackett went through the bill, page by page. Page 1 contained the GARVEE bonding authorization with the Idaho Transportation Board (ITB) making the selection of projects from the original GARVEE list, minus the Indian Valley project, is for new construction. Pages 2 and 3 list the original GARVEE corridors.

Page 4 contained the Strategic Initiatives Program or the surplus eliminator that was established in 2015 with a two-year sunset if nothing is done. The primary difference in this legislation is it provides for a 60/40 split with 60 percent going to the Idaho Transportation Department (ITD) and 40 percent to the local units of government.

On the top of page 5, once the State Controller has determined any excess cash balance on July 1, 50 percent of any General Fund excess will be transferred into the Strategic Initiatives Fund for transportation. There is a new process established for when cash is transferred. This was requested by the Division of Financial Management (DFM) and the Legislative Services Office (LSO) to facilitate the timing after the books are closed, but the result is the same. At the bottom of the page, the new fund is established that the money will go into.

Top of page 6, as already discussed, the surplus is split and 50 percent goes into transportation, the other 50 percent goes into the Budget Stabilization Fund. The new process for making the transfers is at the bottom of page 6.

Page 7 describes sales tax distribution where some of the money goes into the new fund. Page 8, line 17, Subsection 10 is the local revenue sharing distribution from the sales tax. Page 11, line 25 to 28, is where 1 percent of sales tax shall be distributed to the newly created fund. The distribution provided in this section must immediately follow the distribution in Subsection 10 back on page 8. This is immediately following the revenue sharing for the local units of government.

Page 12 talks about what is commonly known as "water GARVEE", but it is redistribution of the cigarette tax. This came about following the payment of the bonds for the Capitol renovation. At that time the Capitol renovation is adequate funded, the remaining moneys shall be distributed as follows: \$4.7 million directed to part of the federally required State match for GARVEE debt service, and \$5 million directed to the secondary aquifer planning and management for replenishing our aquifer. The third part is the unallocated portion that varies from year to year with a declining balance; in 2018, it is projected to be \$5.1 million and that portion of the distribution will be directed to the new fund. The sunset will be lifted on all three accounts.

Senator Den Hartog asked for clarity for the \$300 million GARVEE bonding portion; will it take care of I-84 from Nampa to Caldwell? We only have the environmental impact statement (EIS) for the stretch of highway from Franklin Road in Nampa to the Karcher interchange in Nampa. **Chairman Brackett** said the EIS has basically been completed from Franklin in Nampa to Karcher and awaits the funding for construction. Hopefully, work on the EIS from Karcher on to Caldwell will be able to begin.

Senator Den Hartog asked about water GARVEE on page 12 and whether the sunset is lifted on all three distributions, that includes the GARVEE debt service, the aquifer, and the remaining amount to transportation. **Chairman Brackett** said it was his understanding. **Senator Den Hartog** asked whether there were updates on the progress of the aquifer recharge and if there is a need for \$5 million ongoing. **Chairman Brackett** said that most of the work to date on the recharge has been done on the Eastern Snake Plain. With the settlement agreement between the ground water users, the pumpers, and the local jurisdictions, recharge is happening but there is still work to be done. While that was important to the State, there are about eight additional aquifers throughout the State that need attention including the one in the Boise Valley, which is second on the list. There has been considerable work done on monitoring; the first step needing addressing according to aquifer management programs. With the settlement money came substantial General Fund money appropriations to implement the settlement agreements. The \$5 million is the additional work that can and should be done; if it didn't come from this source, then it would either result in a delay or come directly from the General Fund.

Senator Rohn thinks the issue of highways and roads definitely needs to be addressed. His concern is the 1 percent loss to the General Fund which appears to be ongoing in this version of the legislation. He wondered if there was a better approach and whether consideration was given to a 2 cent hike in the gas tax with a sunset clause. It would give time for the Legislature to come up with a funding mechanism for not just expanding but maintaining the roads. Idahoans are concerned about its bridges and ongoing deferred maintenance. **Chairman Brackett** responded that the surplus eliminator is limited to maintenance, so by extending the sunset, maintenance is being addressed. All tax revenue legislation must begin in the House of Representatives. No fuel tax proposal has come over, but he understood there was some support for it.

Senator Winder commented on Committee members' concerns. There is an interchange on Highway 95 north of Coeur d'Alene that potentially could qualify for GARVEE funding, as well as other projects on Highway 95 up towards Sandpoint. The aquifer recharge is already in existing code; this is not new code. With regards to the Karcher to Caldwell Franklin Road, the EIS is complete from Nampa Franklin to a little ways past Karcher; that section of the interstate can be completed. Some of the GARVEE money can be used for the EIS to do the rest of the 8-mile section. It is his understanding that would cost \$180 million. Hopefully, there will be some more federal dollars coming in the future as well. Finally, the 1 percent is not really coming out of the General Fund, it is 1 percent of the sales tax; this does not impact the income tax or the corporate tax. Given that, it probably works out to less than .04 percent from the General Fund. There hasn't been any appetite on the House side for a gas tax, nor is there any on the Senate side. The 7 cent increase to the gas tax two years ago went entirely toward road maintenance, so it is recognized as a high priority. All these issues are trying to be addressed.

Senator Keough asked what the language on page 5, line 23 meant. **Chairman Brackett** replied that the economic opportunity is a priority for the State's Strategic Initiative Program but most of the real needs for local jurisdictions are maintenance and safety. **Senator Keough** asked what the thought process had been. **Chairman Brackett** said this is a much compromised bill. The House ranked these issues higher in priority for local jurisdictions.

Senator Keough asked what the new language on page 7, line 5 regarding taxes meant. **Chairman Brackett** referred her to page 11, lines 25 to 28, that discusses the order in which the distribution will be made. With the gross sales tax receipts, the first thing to come off are the refunds; then there are two immediate choices, one of which is to the local jurisdictions revenue sharing. This path holds the local units of government harmless. It gets back to whether we take a percent or a fixed amount. **Senator Keough** asked if it is the intention of this bill to impact the budget just passed by the Legislature. **Chairman Brackett** responded that she was correct.

Senator Rohn followed-up on the 60/40 split. How is the 40 percent split going to affect the local units. Will there be a shortfall for their budgets and how will it be made up? **Chairman Brackett** said there is already a shortfall in their budgets for maintenance. This provides additional revenue that will relieve some of those shortfalls.

Senator Harris asked if there is a reporting requirement. **Chairman Brackett** said earlier versions contained clear reporting, but they did not make it into this bill. The two provisions not included are: 1.) no payments would be made until the reports are received; and 2.) if reports were not received by June 30, the money would be transferred into the Budget Stabilization Fund. However, by statute there still is a reporting requirement.

Senator Hagedorn wanted to clarify that it is still a requirement that locals report on how their money is used. However, what did not make it into this bill was the sweep of the remaining money going into the Budget Stabilization Fund. **Chairman Brackett** said it is correct about the sweep, but it did not explicitly say that funds would be withheld until the report was received. He thinks this is a needed addition.

Senator Winder clarified that the 40 percent to local jurisdictions is new money earmarked to the locals and will have a positive impact on their budgets. The Strategic Initiative Program under H 312aa (2015) hasn't changed and the reports are still required. When he last checked, it was up in the 95 percent range of the locals reporting.

Senator Lodge asked if she could get a list of which projects have been completed or partially completed on the original corridors listed on pages 3 and 4. **Chairman Brackett** went through the corridors listed with updates from his memory. He has asked ITD to develop a clear report that shows which have been done. **Senator Lodge** asked that ITD include which have been completed because of public safety and the dangers of driving on those highways. **Chairman Brackett** said that while safety was a consideration on several of these, there was good documentation on the decrease in fatalities and accidents on the completed GARVEE segments.

Senator Winder reminded the Committee that the list on pages 2 and 3 refers to corridor areas, as part of the Connecting Idaho Program, and not projects. There have actually been about 59 projects completed and about \$830 million worth of work done.

Senator Den Hartog asked what is the difference between the Strategic Initiative Program and the new Transportation Expansion and Congestion Mitigation Fund. As she reads it on page 4, line 30 to 34, there is safety, mobility, etc., which she believes is covered in the existing program. Rather than create a new program, why wasn't the money placed in the existing fund? **Chairman Brackett** said in H 312aa (2015) ITD did have an initiative program that was placed in statute. It identified projects that would be rated using specific factors in order to compute the return on investment. It was focused on maintenance. The new bucket is focused on new construction with a different criteria listed at the bottom of page 5.

Senator Winder added that on page 4, line 36 the bill talks about repair and maintenance which is very specific for what the strategic initiative was created; mainly because of the bridge problems. Page 5, line 34, talks about expansion and congestion which would be in areas where there wasn't capacity. Capacity improvement means expansion like increasing the number of lanes; beyond routine maintenance or replacement.

Senator Hagedorn said it was important to note that previously the Strategic Initiative Program was just for ITD; now the locals will be involved in the old and the new programs.

**CLOSING
REMARKS:**

Chairman Brackett remarked that the Committee has considered GARVEE funding at length; it is an important piece to the information needed to continue the discussion on transportation funding in Idaho. He closed by asking the Committee to send **S 1206** to the floor with a do pass recommendation.

**PASSED THE
GAVEL:**

Vice Chairman Nonini back to Chairman Brackett.

MOTION:

Senator Lodge moved to send **S 1206** to the floor with a **do pass** recommendation. **Senator Winder** seconded the motion.

Senator Rohn commented that he understands how this bill evolved in order to address a very critical problem. There has got to be a better way to fund Idaho's highways and roads than to dip into the General Fund. He cannot support this motion.

Senator Winder said the entire legislature has made a commitment to education by funding the 5-year plan. He sees **S 1206** as a way of creating jobs, both union and non-union, and helping the economy. The GARVEE projects during the recession did generate thousands of jobs. This is a very positive thing that will generate a better economy. It costs a lot of money when trucks and cars are stopped, in addition to the number of accidents on the interstate. This doesn't solve all the problems, but it gives tools to ITD and the locals to deal with some problems.

Chairman Brackett added it's just one of a number of tools that can and should be used. The fuel tax needs to be revisited. Miles traveled is another issue needing study; with the improvements to technology, it is a viable funding alternative. GARVEE bonding is a valuable tool to have.

Senator Hagedorn reminded the Committee that four of the Committee members were on Lieutenant Governor Little's Task Force for funding highways. Most states do use general funds on their highways because their fuel tax and registrations have not been able to keep up with their maintenance needs. We're behind in our maintenance, behind in our expansion, and we need to start walking down that same road.

Senator Winder commented that this has been an ongoing process for the past six weeks. Most support getting the interstate fixed and having GARVEE funding options, but the House has made it clear these other pieces of this bill are very important to them. If we don't do something like this, there may be no GARVEE for the interstate.

Chairman Brackett said that with H 312aa (2015) the maintenance was addressed and raised \$95 million, but the task force identified a \$262 million short fall. There was still work to be done, and even after this bill, there will still be work to be done.

Senator Keough commented that she was planning on voting to send this to the floor because she thinks the larger Senate body deserves the opportunity to consider this legislation. That does not mean she will necessarily vote for it in the end. **Senator Keough** has a long history with transportation: she voted to raise gas taxes; raise registration fees; and helped GARVEE over the starting line. She does not believe in doing something just because the rest of the country is doing it; it doesn't make it right. The Legislature's refusal to look at a gas tax increase is disturbing. It is a continuing source of revenue. Gas prices fluctuate 5 to 25 cents in the course of a week to ten days. It's a pay-as-you-go tool that is being ignored. She appreciates the tireless time the authors spent on this bill. She believes that the Senate and House transportation committee members could have been utilized to use their deep pool of knowledge for helping develop this legislation.

Senator Hagedorn reminded the Committee that what was done with H 312aa (2015) would have required a 20.125 cent per gallon increase in the gas tax just to cover the maintenance deficit.

Senator Den Hartog said she, too, greatly appreciates the amount of work and effort in putting this legislation together; recognizing it had not been a simple or easy task. She has been an advocate of investing General Fund dollars in the transportation infrastructure system. But when you see all the different carve-outs done over the years of sales tax revenue before it flows into the General Fund, she believes that there is a lack of transparency. It is no way to budget or to allocate tax dollars; Idahoans must know how their money is being spent. She appreciates the creative nature of placing the 1 percent onto Idaho roads and that ultimate those dollars would have gone into the General Fund. She would like it to be done in a transparent process; she feels the same way about the cigarette sales tax money. These things are happening outside JFAC year after year with no conversation from the budget committee and the Legislature as a whole.

Senator Keough expressed she was not advocating a 20 or 25 cent increase in the gas tax, however there is a 20 to 25 cent fluctuation in gas prices in her work commute from Sandpoint to Coeur d'Alene. She does think it's reasonable to talk about a 5 cent increase. She does not believe gas tax should be left off the table especially when we're going into debt to take care of Idaho roads.

Senator Lodge said 40,000 people drive between Caldwell and Meridian every day; the worst is between Karcher and Northside. She shared her experience that morning; the wreck was a quarter-of-a-mile from where she got on the interstate and it took her 35 minutes to go that quarter-of-a-mile. The increase in population in Canyon County has been unbelievable. She's concerned with all the cars backed-up on the interstate because of air quality. Without economic development there is no money to fund education; we're pushing this down the road so that future generations have to also fight this same battle. The interstate is so dangerous; this is a public safety issue. With people late to work, employers are complaining and it is affecting the economic growth of our State. There are lots of things in the bill she does not like, but she doesn't want to keep this legislature operating at a cost of \$30,000 per day. She is going to support this bill to get this thing done and take a burden off future generations.

Chairman Brackett said this is not an end-all to solve the transportation issue, but he's confident that many of the good ideas heard today will continue to be discussed. At a minimum, the surplus eliminator will be revisited two years from now.

VOTE ON MOTION:

The motion to send **S 1206** to the floor with a do pass recommendation was approved by **voice vote**. **Vice Chairman Nonini, Senators Harris, Den Hartog, and Rohn** asked that their nay votes be recorded.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 5:07 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary

AGENDA
SENATE TRANSPORTATION COMMITTEE
10:15 A.M.
Room WW53
Wednesday, March 29, 2017

SUBJECT	DESCRIPTION	PRESENTER
H 334	This legislation adds a category relating to children pedestrian safety on the state and local system regarding proposed projects funded through the Strategic Initiatives Program.	Representative Trujillo

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Brackett

Vice Chairman Nonini

Sen Keough

Sen Winder

Sen Hagedorn

Sen Den Hartog

Sen Lodge

Sen Harris

Sen Rohn(Buckner-Webb)

COMMITTEE SECRETARY

Gaye Bennett

Room: WW33

Phone: 332-1332

email: stran@senate.idaho.gov

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Wednesday, March 29, 2017
TIME: 10:15 A.M.
PLACE: Room WW53
MEMBERS PRESENT: Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Den Hartog, Lodge, Harris, and Rohn(Buckner-Webb)
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 10:19 a.m.

H 334 **This legislation adds a category relating to children pedestrian safety on the State and local system regarding proposed projects funded through the Strategic Initiatives Program. Chairman Brackett** invited Representative Trujillo to present **H 334**.

Representative Trujillo, District 33, shared a personal story. Two years ago she received a phone call from her frantic daughter. Her grandson had ridden his bicycle to school and in the crosswalk a truck turned the corner and hit him. Thankfully, her grandson had not been severely injured. However, these stories are far too common in Idaho as it is a State experiencing significant growth. The transition from rural to urban areas are developing quickly. Idaho needs to look at its infrastructure and the development of its cities. Included in the discussion of infrastructure needs is the safety of its citizens who have alternative means of travel. Sidewalks and bike paths should be considered in infrastructure construction discussions and planning.

When H 312aa (2015) was negotiated, a section was inserted addressing Safe Routes to Schools, but there was no funding attached to it. **H 334**, page 1, line 24, adds section (f): "children pedestrian safety on the state and local system", for consideration when the Idaho Transportation Board (ITB) prioritizes highway projects. **H 334** doesn't designate funds for their consideration, it just allows ITB to contemplate this factor and its funding when determining project priorities.

Representative Trujillo concluded by asking the Committee to send **H 334** to the floor with a do pass.

Senator Hagedorn said that line 24 allows ITB to include this as a factor when prioritizing projects, but line 12 states that local jurisdictions should take this under consideration. **Representative Trujillo** agreed but the funding path moves through ITB.

Vice Chairman Nonini asked about **S 1121** which was a Safe Routes to School bill the Committee passed earlier in the session with no issues on the Senate side; it has been held in the House Transportation and Defense Committee without a hearing. **Representative Trujillo** was unaware of that bill.

Senator Winder clarified that **S 1121** provided a bucket but no funding. **H 334** is a way for the Committee to address their support for Safe Routes to School with funding possibilities as determined of ITB.

Senator Den Hartog stated **S 1121** went through LHTAC whose purpose is to work with local jurisdictions, **H 334** goes through the statewide focus of ITB. **Representative Trujillo** said the bucket was already created in H 312aa (2015). **H 334** provides a process where funds can be placed in that bucket. Not only does this bill allow projects to be looked at, but it also allows projects to be discussed from a non-motorized safety perspective. As a professional appraiser, she added that these additions to developing communities should be encouraged because of the economic benefit to that community and the State.

MOTION:

Senator Hagedorn moved to send **H 334** to the floor with a **do pass** recommendation. **Senator Winder** seconded the motion.

Senator Winder said that the contents of this bill was meant to be an amendment to **S 1206**, but there was concern that if it were amended in the House of Representatives, there could be votes lost if the Senate had to reconsider the bill. He said **H 334** was good legislation that had been part of **S 1121**, but no funding accompanied that bill. **H 334** offers funding; he urged support to pass this bill.

VOTE ON MOTION:

The motion to send **H 334** to the floor with a do pass recommendation passed by **voice vote**.

ADJOURNED:

With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 10:31 a.m.

Senator Brackett
Chair

Gaye Bennett
Secretary