

MINUTES  
**SENATE TRANSPORTATION COMMITTEE**

**DATE:** Tuesday, January 16, 2018

**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 Senate Transportation Committee (Committee) meeting at 1:30 p.m. He welcomed all members and attendees to the Committee's first meeting of the Legislative Session.

**GUBERNATORIAL APPOINTMENT:** **Chairman Brackett** welcomed Mike Pape, Administrator of the Idaho Transportation Department's (ITD) Division of Aeronautics, to the Committee.

**Mr. Pape** said the mission of the Division of Aeronautics is to ensure that the aviation system in Idaho meets the needs of the state. In a mountainous state like Idaho, it is imperative to keep airports safe. There is a five-member Aeronautics Advisory Board (AAB) that gives advice on all aeronautics activities in Idaho. Today's re-appointment consideration is for current board member Charles "Chip" Kemper. Mr. Kemper is the owner and president of the Queen Bee Air Specialities and Aerial Agricultural Organization located in Idaho Falls. He is also a 38 year professional pilot. This is the third time he has come before the Committee for confirmation. Mr. Pape turned the podium over to Mr. Kemper.

**Mr. Kemper** thanked Mr. Pape and the Committee for scheduling his confirmation while he was in the Treasure Valley for an AAB meeting. **Mr. Kemper** said he lives in Idaho Falls where he has been involved in his company since 1977 and has been an owner since 1980. He has served on the AAB for eight years, and last came before the Committee five years ago. In conclusion, **Mr. Kemper** said he would stand for questions.

**Senator Hagedorn** thanked Mr. Kemper for offering to serve another term. He inquired as to the greatest challenges facing the AAB. **Mr. Kemper** said the pavement deficit with runways and ramps in the aviation sector is the greatest challenge. Fortunately, this year the AAB found the funds necessary to avoid a financial deficit. It is the only year in his eight year tenure where there has not been a half-million dollar deficit in order to pay for what he considers to be basic needs. However, the AAB is not keeping up with all the pavement requirements identified. He personally believes that fuel taxes need to be increased from their present tax rates of six-cents per gallon for jet fuel and seven-cents per gallon for aviation gasoline. **Mr. Kemper** contended that a tax increase of one-and-one-half cents per gallon would rectify the half-million dollar deficit. He stated, however, that the airline industry opposes a fuel tax increase.

**Senator Hagedorn** asked how the price of jet fuel in Idaho compares to that of surrounding states. He heard that aircraft come to Idaho to buy fuel because of the lower cost. **Mr. Kemper** stated it is a complex issue; corporate jets making interstate flights buy fuel as needed. However, airlines have large fuel purchasing contracts. The Salt Lake City Airport handles such large quantities of fuel for companies such as Delta Airlines that fuel cost — and tax — are relevant factors. Airlines only load the gallon or pound amount of fuel needed to return to their hub airport. Corporate jets are in a different category, and in that regard Idaho is in the lower cost ranks.

**Senator Keough** asked Mr. Kemper to share his perspective on and the status of the request to replace some of the state-owned aircraft. **Mr. Kemper** said the State of Idaho owns two single-engine Cessnas. He personally owns that type of aircraft. He, like the State, is in the process of replacing his piston engine fleet with turbine powered aircraft that are similar to ITD's twin-engine Beech King Air. When replacement is done in a sensible way, transitioning toward turbine powered aircraft makes fiscal sense in the long-term. In the short-term, it will be a significant financial expenditure. ITD will issue a request for proposal to buy an aircraft that will offer greater mission capability, improved safety, and better reliability than the single-engine Cessnas. He thinks there will likely be a candidate that makes sense for the State. If so, ITD can then sell the two Cessnas.

**Senator Keough** asked, based on his response, if he thought it was appropriate to sell the other state-owned aircraft. **Mr. Kemper** said his remarks represent the task of the AAB. He does not think the airplanes stated are outmoded; they have value and new owners would be able to fly them for many years. The presently-owned aircraft are incapable of conducting certain search missions in certain weather. Replacement aircraft would increase capabilities in those situations. New aircraft would likely have a Pratt Whitney PT6A engine, the most reliable aircraft engine available. **Mr. Kemper's** company owns eight PT6A engines and they are transitioning their entire fleet to this engine. Cost will be a consideration for the State, as the PT6A engines are not inexpensive.

**Senator Hagedorn** asked if the new aircraft will have the same backcountry capabilities as the smaller Cessnas currently owned? **Mr. Kemper** replied it was his understanding the new aircraft would replace the two single-engine Cessnas and would pick up nearly 25 percent of the Beech King Air's capacity on some of its missions. The new aircraft would be able to access every backcountry airstrip where either of the Cessnas can, and safely handle more winter weather icing in flight. It would be able to assist in missions when routine maintenance is scheduled on the other aircraft.

**Senator Buckner-Webb** asked if this new aircraft would require more runway length and be able to access the shorter runways at some of Idaho's backcountry airstrips. **Mr. Kemper** said the runway length requirements would be much less with the new airplane. It will have a more favorable power-to-weight ratio, reverse thrust, and may not need a runway in certain situations. The Cessna 206 could do some of those things, but it does not have reverse thrust or a comparable power-to-weight ratio. The new airplane will be capable of going everywhere the Cessnas can and more.

**Chairman Brackett** asked Mr. Kemper to describe the maintenance deficit. **Mr. Kemper** said he spoke previously of a pavement deficit of about a half-million dollars. These deficits are drawn on aeronautics and matching funds sources. If the AAB could rely on the half-million dollars each fiscal year, they could fully service what has already been invested. Mr. Kemper stated that he is determined to find the funds to remove this annual deficit; it may require legislation.

**Chairman Brackett** commented that the financial deficit may become a safety issue and asked if it is currently. **Mr. Kemper** responded that some small communities in the Midwest that do not have money to maintain pavement tear up the pavement and return it to a dirt or gravel strip. That digression negatively effects the use of the airport, the value of the airport, and the ability of life-flight aircraft to carry injured individuals. Idaho is close to meeting our needs but is falling short; he wants to fix that and he thinks the AAB can. There were no further questions.

**Chairman Brackett** thanked Mr. Kemper and reminded him that the vote on his re-appointment would take place at the next Committee meeting.

**COMMITTEE  
PAGE  
INTRODUCTION:**

**Chairman Brackett** welcomed Committee Page Abigail Hunter of Coeur d'Alene, Idaho, sponsored by Vice Chairman Nonini, and asked her to introduce herself to the Committee.

**Ms. Hunter** thanked the Chairman. She stated that she attends Coeur d'Alene High School, where she is a pole vaulter on the track team. She plays the oboe in the school band and takes violin lessons from Mrs. Nonini. She plans to attend Northwest Nazarene University (NNU) in Nampa, Idaho in the fall. She was awarded scholarships from NNU to play the oboe and the violin. She wants to double major in Counseling and Ministries so she can become a Christian counselor. **Ms. Hunter** said she would stand for questions.

**Vice Chairman Nonini** said he was pleased to be able to sponsor Ms. Hunter. She has been a violin student of Mrs. Nonini for over 12 years; he knows her and her family very well. She is quite an accomplished violin player. She is a very good student at Coeur d'Alene High School and works at an ice cream store in downtown Coeur d'Alene called Abby's. He is hoping there will be an opportunity for her to play the violin for the Senate before her service as a Page is over.

**Chairman Brackett** thanked Ms. Hunter and stated that he was pleased to have her as the Committee Page.

**ADMINISTRATIVE  
RULES:**

**Chairman Brackett** asked Vice Chairman Nonini to describe the process for reviewing 2018 Administrative Rules.

**Vice Chairman Nonini** said this year the Committee has six dockets in the Administrative Rules book distributed to each Committee member. Two of the dockets are from the Idaho State Tax Commission (ISTC) and four are from ITD. Inside their notebook is a clean, easy-to-read copy of the first of the ISTC dockets that had extensive deletions and insertions of new language.

**Vice Chairman Nonini** stated that as there are only six dockets, there is no need for a subcommittee to review them first. Therefore, the next Committee meeting will include the two dockets from ISTC. The last four ITD dockets will be heard at the following meeting. By next week the Committee should be done with the Administrative Rules review for this Legislative Session. There were no questions from the Committee members regarding the Administrative Rules process.

**ADJOURNED:**

There being no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:55 p.m.

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Senator Brackett  
Chair

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Gaye Bennett  
Secretary