

MINUTES
SENATE INTERIM COMMITTEE ON TRANSPORTATION, TECHNOLOGY AND
LEGISLATIVE AFFAIRS
HOUSE INTERIM COMMITTEE ON PUBLIC TRANSPORTATION
MEETING JOINTLY

Tuesday, November 10, 2015

The Senate Interim Committee on Transportation, Technology & Legislative Affairs and the House Interim Committee on Public Transportation met jointly at 10:00 a.m., Tuesday, November 10, 2015, at the Harbor Oaks Golf Club and Restaurant, One Harbor Oaks Drive, Pine Bluff, Arkansas.

Committee members present: Senators Bill Sample, Chair; Bobby J. Pierce, Vice Chair; Ronald Caldwell, and Greg Standridge. Representatives Mary P. “Prissy” Hickerson, Chair; Mike Holcomb, Vice Chair; Karilyn Brown, Dan M. Douglas, Ron McNair, Marcus Richmond, and James Sturch.

Other legislators present: Senator Stephanie Flowers.

Senator Sample called the meeting to order.

Senator Bill Sample and Representative Mary “Prissy” Hickerson, welcomed committee members and guests to the meeting. Mayor Debe Hollingsworth and County Judge Dutch King were also in attendance.

Opening Remarks

Gene Higginbotham, Executive Director, Arkansas Waterways Commission, stated the Port of Pine Bluff is the oldest port operating on the McClellan-Kerr Arkansas River Navigation System (MKARNS). Mr. Higginbotham added that two years ago the legislature appropriated an economic impact study for the navigation system that was funded by the Arkansas State Highway and Transportation Department through the Mack-Blackwell Transportation Center. The legislature also authorized funding for the Arkansas Port, Intermodal, and Waterway Development Grant during the last legislative session and the Commission has received application requests totaling \$1.2 million from Little Rock, Fort Smith, and Crossett. The Commission will award \$450,644.42 to five ports at its next meeting on December 2, 2015.

Consideration of a Motion to Authorize Chairs to Approve Special Expenses Incurred by the Committees [Exhibit D]

Without objection, a motion was made to ratify the chairs’ approval of special expenses incurred in conjunction with today’s meeting.

Without objection, a motion was passed authorizing the Chairs to approve future expenditures of committee funds for special expenses.

Consideration to Approve Minutes of August 10, 2015, Meeting [Exhibit E]

Upon motion by Representative Douglas, and second by Senator Caldwell, the Minutes from the August 10, 2015, meeting were approved.

Report on Economic Impact Study of the Arkansas River (Handouts 1-2)

Heather Natchmann, Ph.D., Associate Dean for Research, College of Engineering Director, Maritime Transportation Research and Education Center (MarTREC) Director, Mack-Blackwell Transportation Center, University of Arkansas, provided information on the MarTREC and economic impact study on the MKARNS. Dr. Natchmann stated the MKARNS study was combined with results from the

Oklahoma Department of Transportation (DOT) study to show the shared benefits of freight traveling through the Arkansas and Oklahoma navigations systems (over 1,000 in Arkansas). It was noted that the United States DOT provided a \$3.4 million grant to study inland waterway transportation within the nation with the funding to go primarily to graduate students. Findings from the study show that nationwide, the MKARNS contributes \$8.5 billion in sales (\$4.535 billion in Arkansas); 55,872 jobs; and \$289 million in taxes to the national economy. The life expectancy of a lock is approximately 50 years.

Mr. Higginbotham stated that power generation comes from the Army Corp of Engineers (Corp), the City of North Little Rock, the City of Jonesboro, and privately owned entities. The money is sent to the Corp and returned to the United States Treasury. The Corp has agreements with non-profit groups to operate the parks. The park fees are sent to the Corp and returned to United States Treasury.

Comments on the Arkansas Waterways Association

Melanie Baden, Executive Director, Arkansas Waterways Association, gave a brief overview of the responsibilities of the Association, which includes planning conferences, entertainment, and education for the Commission. Ms. Baden said she will focus on the educational component, developing a curriculum for schools dealing with waterways, and rebranding/developing the Association.

Value of the River and Commerce for Jefferson County

Lou Ann Nisbett, President and CEO, Economic Development Alliance of Jefferson County, welcomed everyone to Pine Bluff and acknowledged the presence of several Port Board members. She noted there are eight boards under the Alliance. She provided an overview of the new Southwind Rice Mill Company, which is a \$34 million project that opened in October 2015. The company has hired 40 employees and purchased additional properties to package items for shipment. Ms. Nesbitt said there are ten industries at the port and three companies are considering expansion. Pine Bluff passed an economic development sales tax in 2011 that created revenue for incentives and, in less than three years, the tax has generated over \$300 million in new capital investments and created 1,200-1,500 new jobs.

With no further business, the meeting adjourned at 10:50 a.m., and the committees toured the Pine Bluff Port and Southwind Rice Mill Facility.