

**MINUTES
LEGISLATIVE TASK FORCE ON INTERMODAL
TRANSPORTATION AND COMMERCE
Wednesday, December 3, 2014**

The Legislative Task Force on Intermodal Transportation and Commerce met Wednesday, December 3, 2014, at 3:00 p.m., in Room B, MAC Building, in Little Rock, Arkansas.

Task Force members in attendance: Senator Bruce Holland, Senate Chair; Representatives Jonathan Barnett, House Chair, and Dan M. Douglas; Kenneth Burleson, Gene Higginbotham, John Lipton, Lou Ann Nisbett, Daniel Robbins and Bill Vickery.

Other legislators in attendance: Senator Bill Sample and Representative-Elect Karilyn Brown.

The meeting was called to order by Senator Holland.

Consideration to Approve Minutes of the November 13, 2014, Meeting [Exhibit C]

Mr. Gene Higginbotham made a motion to approve the November 13, 2014, meeting minutes and Representative Douglas seconded the motion. The motion passed without objection.

Review of the Task Force Draft Report [Exhibit D]

Mr. Gene Higginbotham, Executive Director, Arkansas Waterways Commission, reviewed the draft report that is to be presented to the Senate Interim Committee on Public Transportation, Technology, and Legislative Affairs and the House Interim Committee on Public Transportation pursuant to Act 1430 of 2013. The draft report references the primary areas of testimony, findings from information gathered, recommendations, and measures necessary to support the task force recommendations. Specific recommendations include a new Department of Transportation (DOT) and issues relative to a DOT, such as identification of funding sources, planning a seamless and cost-effective transition, intermodal development and oversight, establishing a coordinating council, and leverage of existing modal assets. The report recommended monthly meetings and expanded membership to add representation from the Aeronautics Department and a Metropolitan Planning organization.

Senator Holland suggested that the Arkansas Economic Development Commission (AEDC) also have representation on the task force. Representative Barnett suggested the inclusion of a representative from the Walmart Global Initiative team.

Representative-Elect Brown asked if any change is anticipated within the Arkansas Highway Transportation Department (AHTD). Mr. Higginbotham stated it is a comprehensive transportation plan that includes rail, water, and air utilizing the dollar more efficiently and making the transportation system more efficient and competitive.

Mr. Bill Vickery, Arkansas Trucking Association, addressed the task force's focus as getting to the details of a DOT to see what it will look like. Mr. Higginbotham addressed the need to find alternative ways to fund the intermodal authorities and identify more state/federal resources in creating more jobs for the state of Arkansas. Mr. Vickery cited this as a two-fold issue, basing it on best practices and looking at success/failure in other states.

Mr. John Lipton, Chairman, Southeast Arkansas Regional Intermodal Transportation, stated the Attorney General's opinion has returned but created questions on how the law would be clarified on lease provisions mentioned within existing Acts, such as the incentives extended to intermodal through lease agreements. He added this would create future legal issues within the authority. The competition

is not prominent within the state of Arkansas; however, it is once you step outside the state. Mr. Lipton stated that having incentives in place is an issue for review by the legislature.

Senator Holland stated that other states, such as New York, are becoming more aggressive with no sales and property taxes. He suggested that Representative Payton, Mr. Lipton, and Representative Douglas meet and possibly pursue those issues through an infrastructure bank.

Ms. Lou Ann Nisbett, Arkansas-Oklahoma Port Operators, advised she serves on the Board of the AEDC that is in the process of completing a study on how Arkansas competes against several other states. She added that the Governor's Quick Action Closing Fund balances the negative on the taxes, and if not for those funds, Arkansas would be completely out of the game.

Lorie H. Tudor, P.E., Deputy Director and Chief Operating Officer, AHTD, stated the main focus is highways. AHTD conducted a survey on how other states and found they are set up as a DOT and an umbrella for all modes of transportation. She added that there are other things to be reviewed, such as the Mack-Blackwell Amendment, how each component is structured, and making it a seamless change.

Representative Barnett and Senator Holland will present the Task Force report to the Transportation Committees on December 17, 2014, at 2:00 pm, in Room A of the Mac Building.

Representative Douglas made a motion to approve the draft as amended and Mr. Vickery seconded the motion. The motion passed without any objection.

With no further business, the meeting adjourned at 3:40 p.m.