

MINUTES
PUBLIC TRANSPORTATION
HOUSE MOTOR VEHICLE & HIGHWAYS PERMANENT SUBCOMMITTEE

July 22, 2016

The House Motor Vehicle & Highways Subcommittee met at 10:00 a.m., Friday, July 22, 2016, in Room B, MAC, Little Rock, Arkansas.

Committee members present: Representatives James Sorvillo, Chair; Jana Della Rosa, Vice Chair; Dan Douglas, and Ron McNair.

Also present: Senators Jonathan Dismang and Jon Woods; Representatives Jim Dotson, Kenneth Ferguson, Lanny Fite, Jack Ladyman, Betty Overbey, Matt Pitsch, Brandt Smith, James Sturch, and Marshall Wright.

Representative Sorvillo called the meeting to order and welcomed members and guests in his opening comments.

Comments regarding Retread Tires on Commercial Trucks: Costs, Benefits, Demand, Longevity, and Failures

Mr. Dan Zielinski, Senior Vice President, Public Affairs, Rubber Manufacturers Association (RMA), Washington, D.C. (via conference call), provided an overview of the retread tire industry. He said safety is the number one priority and that all tires (new or retreaded) must be properly maintained/inflated to function safely. Retreaded tires are used on commercial/military trucks, airplanes (80%), farm equipment, school buses, etc., and cost 30-50% less than new tires. Mr. Zielinski noted the United States leads the world in stringent tire safety regulatory requirements for retreaded tires. He said RMA shares the committee's concern that tire debris is a safety hazard, however, numerous studies have concluded that retread tire quality is not the cause of most vehicle accidents. Less than 1% of commercial vehicle crashes result from defective tires.

Mr. David Stevens, Managing Director, Tire Retread and Repair Information Bureau (TRIB), Falls Church, Virginia (via conference call), stated that a study conducted in 2008 by the National Highway Traffic Safety Administration (NHTSA) involved picking up 1,200 tire fragments from roads across the country and analyzing whether the fragments were from new or retreaded tires. The study concluded that failure occurred in exact equal proportions to their usage on the road. The reasons for failure included road debris, excessive speed, and/or improper maintenance i.e., underinflated tires causing heat buildup. Mr. Stevens said tires are the third largest expense for fleets (after labor and fuel) and that larger fleets constantly monitor tires to ensure they are getting the best cost per mile; some are investing in automated tire pressure and inflation monitoring systems. Most new tire manufacturers are involved in tires that are specifically designed to be retreaded multiple times without sacrificing performance or safety. Mr. Stevens noted there would be the same amount of rubber debris on roads if retreaded tires were no longer available, possibly more, since the fleets would more than likely buy cheaper tires. **(Exhibit C)**

Mr. Zielinski and Mr. Stevens provided the following information in response to questions by several members:

- serial number or chip can be used to manage inventory/life history of tire; ID depends on installation date
- federal government requires all agency car tires be replaced with retreads
- RMA and TRIB does not collect crash data
- retreading means less disposal of tires in landfills
- some states have recommended (not legislated) using retreaded tires in fleets
- RMA will work with states to revamp tire program; scrap tire market has improved -- 90% are now reused (up from 10% in 1990); will provide technical and policy information regarding scrap tire management for state and federal regulators
- DOT requires a 3 digit code per tire; trackable to a specific plant; code is located on the sidewall

Public Safety and Collection of Tire Debris

Mr. Scott Bennett, Director, Arkansas Highway and Transportation Department (AHTD), said the Arkansas Highway Police, a division of AHTD, performed over 17,000 commercial vehicle inspections in 2016, resulting in 1,500 (9%) vehicles placed out of service due to maintenance issues with the tires; more were placed out of service due to faulty brakes, lights, etc. He said the larger carriers are not usually a problem, it is the owner/operator that may not properly maintain their vehicles. AHTD spends approximately \$5 million per year to clean and collect road debris -- citizens can report road hazards by phone, or AHTD website at www.idrivearkansas.com and/or local law enforcement. The Arkansas State Police (ASP) are the custodians of crash reports and safety records but AHTD analyzes the reports to see if improvements are needed to make highways safer. Mr. Bennett noted the majority of single vehicle crashes are caused by driver error, not road debris.

Lieutenant Colonel Shawn Garner and Major Mike Foster, ASP, spoke on the calls received for debris removal. The responding trooper will move the debris to the side of the road (if possible) and call AHTD for removal. An incident report will be filed if a vehicle has been damaged; ASP does not have the capability to report statistics based on those incidents. State law requires responsible parties to retrieve debris that has fallen on the highway (if it can be retrieved safely), however, ASP prefers they call for help. **(Exhibit D)**

Shannon Newton, President, Arkansas Trucking Association, said the technology that monitors tire pressure and inflation is predominately used by larger fleets that are technologically advanced and are looking for ways to protect their investment. It most likely will not be found on smaller fleets or agricultural equipment. The technology has not been widely adopted within the industry.

Tom Schick, AHTD Commissioner, said that over the next ten years, the state will have \$20 billion in highway needs and \$4 billion in income (annually \$400 million income/\$2 billion in needs). Mr. Schick reported that Governor Hutchinson spoke at a meeting of the Arkansas Good Roads Foundation (AGRF) and advised there will be no new general funds or tax increases passed by the legislature for highways. AGRF has been tasked with the responsibility of raising sustaining funds for AHTD to function. It is his understanding there may be a fuel tax increase brought before the voters and, if approved, all funds will go towards highway improvements. The federal government passed fuel efficiency standards to increase the miles per gallon on cars/light trucks from 35.5 to 54.5 in 2026 resulting in less fuel being used and less income for AHTD. Federal emission regulations will require that 15% of cars be emission-free, reducing AHTD income by 30% over the next ten years.

Frank Scott, AHTD Commissioner, thanked members for their help in securing funding and stated that additional money is needed to continue investing in the state's infrastructure. He said the economic impact of infrastructure development creates jobs in the construction sector and represents approximately 20% of the nation's Gross Domestic Product (GDP).

Mr. Bennett provided the following information in response to questions by members:

- no technology for cooling asphalt; temperature is a function of color, temperature, and amount of traffic
- PSA's include radio advertising; highway signs; hotline; partnering with Keep Arkansas Beautiful/ASP
- a 2-inch overlay costs \$200,000 per mile (\$100,00 per lane); reconstruction costs \$1.5 million per mile
- a study by the Clinton School of Public Service shows highway investment contributed \$2.5 billion to the state GDP; created/sustained 15,430 jobs; \$665 million invested in labor income; \$1.00 spent on highways supports 10-12 jobs; 1 job in construction creates 8/10 of a job in the economy; 10 jobs creates 8 jobs elsewhere/employment in 449 state industries; \$1.00 invested generates \$1.75 in economic output
- 50/50 state and federal match; each state has a motor fuel fee; other states doing a better job with funding usually receive 20% federal and 80% state revenue; maintenance: \$225-250 million per year; construction: 80% system preservation and 20% capital improvements; Arkansas has 2nd lowest administrative costs in the country

With no further business, the meeting adjourned at 11:25 a.m.