

MINUTES

SENATE INTERIM COMMITTEE ON TRANSPORTATION, TECHNOLOGY & LEGISLATIVE AFFAIRS HOUSE INTERIM COMMITTEE ON PUBLIC TRANSPORTATION Thursday, January 26, 2012

The Senate Interim Committee on Transportation, Technology and Legislative Affairs, and the House Interim Committee on Public Transportation, met jointly at 1:30 p.m., Thursday, January 26, 2012, in Room B, MAC Building, Little Rock, Arkansas.

Committee members in attendance: Senators David Wyatt, Vice Chair; Mike Fletcher, Jeremy Hutchinson and Missy Irvin; Representatives Jonathan Barnett, Chair; Denny Altes, Lori Benedict, John Catlett, Bruce Cozart, Efreem Elliott, David Fielding, Mary "P" Hickerson, Jon Hubbard, Josh Johnson, Walls McCrary, Loy Mauch, David Meeks, Leslee Milam Post, Gary Stubblefield and Tommy Thompson. Non-Voting Committee members in attendance: Representatives Allen Kerr and Terry Rice.

Other members in attendance: Senators Jimmy Jeffress and Larry R. Teague; Representatives Tommy Baker, Jon Eubanks, Jeremy Gillam, Mike Patterson and Jeff Wardlaw.

Representative Barnett called the meeting to order.

Remarks by Committee Chairman

Representative Barnett introduced Mr. David Foster, who is now Assistant Commissioner for Operations and Administration, Division of Revenue, Department of Finance and Administration.

Consideration to approve Minutes of March 17-18, 2010; October 22, 2010, and July 26, 2011

Representative Hickerson made a motion to approve the minutes of March 17, 2010, October 22, 2010 and July 26, 2011. Representative Benedict seconded the motion. The minutes were approved as read.

Consideration of Interim Study Proposals to adopt for interim study:

1. **ISP 2011-013 - TO PREVENT TRAINS FROM BLOCKING HIGHWAYS FOR EXTENDED PERIODS OF TIME AND TO INSURE THAT RAILROADS DO NOT INTERFERE WITH HIGHWAY TRAFFIC** by Senator Mike Fletcher
Representative Fielding made a motion for adoption and the motion was seconded by Senator Hutchinson. The motion to adopt ISP 2011-013 carried.
2. **ISP 2011-028 - TO AMEND THE LAWS REGARDING SALVAGE AUCTION BUYER'S IDENTIFICATION CARDS** by Senator Missy Irvin
Senator Hutchinson made a motion for adoption and the motion was seconded by Representative Meeks. The motion to adopt ISP 2011-028 carried.
3. **ISP 2011-046 - TO AMEND THE LAW RELATED TO RAILROADS TO REMOVE BARRIERS FOR BUSINESS AND INDUSTRY AND CREATE ECONOMIC OPPORTUNITIES** by Representative Leslee Milam Post
Representative Thompson made a motion for adoption and the motion was seconded by Representative Fielding. The motion to adopt ISP 2011-046 carried.

4. **ISP 2011-060 - TO AMEND THE LAW CONCERNING THE ARKANSAS TOWING AND RECOVERY BOARD, POSSESSORY LIENS ON MOTOR VEHICLES RELATED TO TOWING AND STORAGE, AND FORECLOSURE OF POSSESSORY LIENS ON MOTOR VEHICLES RELATED TO TOWING AND STORAGE** by Senator Bill Sample
Representative Altes made a motion for adoption and the motion was seconded by Representative Fielding. The motion to adopt ISP 2011-060 carried.
5. **ISP 2011-094 - TO AMEND THE CHILD PASSENGER PROTECTION ACT AND THE MANDATORY SEAT BELT LAW TO REQUIRE SEAT BELT USE ON ALL SCHOOL BUSES IF THE BUS WAS PURCHASED ON OR AFTER JULY 1, 2013** by Representative Henry "Hank" Wilkins
Representative Fielding made a motion for adoption and the motion was seconded by Representative Catlett. The motion to adopt ISP 2011-094 carried.
6. **ISP 2011-134 - CLARIFYING WHO MAY ACCESS INFORMATION CONCERNING ANOTHER PERSON'S MOTOR VEHICLE INSURANCE COVERAGE STATUS** by Representative Jeremy Gillam
Representative Thompson made a motion for adoption and the motion was seconded by Representative Elliott. The motion to adopt ISP 2011-134 carried.
7. **ISP 2011-135 - TO AMEND THE LAW RELATED TO TEMPORARY TAGS ISSUED TO THE PURCHASERS OF MOTOR VEHICLES** by Representative Bryan King
Representative Stubblefield made a motion for adoption and the motion was seconded by Representative Cozart. The motion to adopt ISP 2011-135 carried.

Report on Waterways and Aeronautics Subcommittee meeting with the Aeronautics Commission, June 14, 2011

Representative John Catlett and Mr. John Knight, Director, Aeronautics Department, were recognized for a report on the Waterways and Aeronautics Subcommittee meeting. Representative Catlett said the Waterways and Aeronautics Subcommittee met jointly with the Aeronautics Commission on June 14, 2011. The meeting served as a learning tool for legislators and reflected the department's impact on communities and what they do for aviation in the state of Arkansas. Mr. Knight stated that during the meeting, the disbursement of funds of \$3 million to 21 different airports was approved. Of the \$15.6 million budget, \$15 million will be disbursed as grants only, with \$600,000 for operating expenses. There is \$9 million committed statewide with projects being paid-off upon completion. The Commission's revenue source comes from the special revenue fund generated by state aviation taxes.

Representative Elliott asked about the completion of the project in Pine Bluff. Mr. Knight said Phase II rehabilitation of the terminal building, with a cost of \$600,000+, should be completed by June 30, 2012.

Overview of GARVEE Bonds and proposed temporary one-half percent sales and use tax

Mr. Scott Bennett, Director, Arkansas Highway and Transportation Department, gave a power point presentation concerning the 2011 Interstate Rehabilitation Program to include a timeline, types of work being done, condition of the interstate, the issuance and benefits of a temporary 0.5% sales tax and grants. Mr. Bennett said about \$550 million or 60% of the money comes from federal funding with \$400 million

from state funding. Representative Barnett asked how state and federal monies were spent by the Highway Department. Mr. Bennett said that some monies can only be spent on specific things, such as maintenance, safety improvement, rehabilitating/replacing bridges, recreational trails, transportation enhancement, safer routes to schools, planning and research activities while some funds go directly to cities and counties. Only \$250 million of the billion dollar budget can be spent at our discretion. Representative Barnett asked if the rehabilitation interstate system would be a 5-year program. Mr. Bennett said about 70% of the work on the interstate program will be "let to contract" in the first 3-4 years, but the bonds to finance the project will not be paid off for 12 years. Mr. Bennett said that over time, the highway projects should generate 28,000 jobs.

Mr. Bennett stated that a temporary, one-half percent (0.5%) sales and use tax increase will be on the ballot November 6, 2012, and will generate approximately \$230 million a year. The Highway Department will receive \$160 million, cities will share \$35 million and counties will share \$35 million. The one-half percent sales tax will cost approximately \$5 a month per household. Mr. Barnett provided the committee with a handout showing the amount each city and county would receive annually over the temporary sales tax increase. **Representative Hickerson asked for a hard copy of the power point presentation given by Mr. Bennett. Representative Rice requested a packet of benefits showing projects which will help legislators answer constituents' questions.**

Mr. Bennett said the Highway Department is in the process of publishing, for public comment, the construction program through 2016. This program will use existing funding for projects to cover all the interstate systems. Arkansas receives a higher percentage of federal funding than most other states and this should be used to our advantage for as long as possible.

Representative Hickerson asked about having someone who could give a presentation on these projects in her district. Mr. Bennett said he or any of the Highway Department staff would speak to any group to talk about the specifics of the program. Also, Madison Murphy, of Move Arkansas Forward, along with Mark Lambreth, of Batesville, would be happy to speak to any group.

Representative Bennett recognized Don Weaver of Weaver-Bailey Contractors, as the general contractor of the I-630/-I430 interchange project that the committee will tour tomorrow.

There being no further business, the meeting adjourned at 3:20 p.m.