

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

3056

2001 HOUSE FINANCE AND TAXATION

HCR 3056

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3056

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date February 28, 2001

Tape Number	Side A	Side B	Meter #
1	X		113
Committee Clerk Signature <i>Janice Stein</i>			

Minutes:

REP. AL CARLSON, CHAIRMAN Opened the hearing.

TOM FREIER, DEPARTMENT OF TRANSPORTATION, Testified in support of the resolution. Mr. Freier shared information leading up to this. He stated the federal highway does require a plan every so often. The last plan put into effect started in 1995 and was approved shortly after that, that is the plan we are functioning under right now. About a year ago, we started redoing that plan. We have completed one portion of it. The part that we are finished with is a study with the cities and counties. He stated he could submit copies of the plan if committee members were interested. The other part we are looking at is on the state level. It would change a little bit the way we look at our state roads and classifying them into five different levels. He stated they will be looking at all needs, not only state highway needs, but also, air, railroads, transit and various different components of transportation in the state. We want to come up with a shared vision of what our transportation system should look like. He

stated they would form a team and go out to cities and counties and have meetings and ask for input.

REP. DROVDAL When you state the state is already required to do a plan like this, is there really a need to continue on with this study?

TOM FREIER I believe we will be going down parallel paths and duplicating the efforts, it would be our intention that sometime we would share everything in our study with the legislative council and the legislature. Our timetable is to complete our study sometime this summer or late fall of 2002, and have a bill for the legislature.

JON MIELKE, EXECUTIVE SECRETARY OF THE PUBLIC SERVICE COMMISSION

He stated he also served as the director of the commission's licensing division which deals with grain elevator licensing and the staff person that deals with railroad matters. He submitted written testimony from Steve Strege, see attached testimony. He submitted a map that is taken from a study done by the Upper Great Plains Transportation Institute, see attached copy. It shows the shuttle train program of North Dakota. Shuttle train facilities are geared up to load between one hundred and one hundred and ten cars at one time, and have to be loaded within fifteen hours. The estimates are that these facilities will handle between ten and fifteen million bushels of grain per year to be economically viable. Right now, we have nine of those facilities in the state, the map shows ten, one of them being in Kindred. I fully expect, over the next two to three years, we will probably see fifteen to twenty of those facilities in North Dakota. We could be handling between two hundred and three hundred million bushels of grain per year. This has huge implications for our rail and road systems. The patterns we see today will be shifting dramatically.

GARY NESS, DIRECTOR OF THE NORTH DAKOTA AERONAUTICS

COMMISSION, Testified in support of the resolution. He stated they have a study that is a continuous study regarding their infrastructure. In the midst of the final report of the pavement management study which takes in all of the asphalt across the state. The larger airports across the state are required to have an asphalt study done in about four years. We have just finished our economic impact statement, which will be published next month. We are also in the process of selecting a consultant to do our air service study, which looks at service patterns in the state, passenger patterns, where they are going, where they are coming from, pricing, etc. We will have an awful lot of what is in the study that is required, which will be available to the legislative council and the legislature.

RAYLYNN LAUDERDALE, EXECUTIVE DIRECTOR OF PEOPLE FIRST OF NORTH DAKOTA, Testified in support of the resolution. See attached testimony.

REP. MERLE BOUCHER, DIST. 9, Prime sponsor of the resolution, testified in support of the resolution. This resolution is part of a package of four other resolutions which calls for a very important study of the overall infrastructure of North Dakota. One of the resolutions deals with water and water delivery systems, this one is the transportation, another one deals with the technology, one is education and medical delivery, infrastructure. We are a rural state, we produce raw commodities and energy and so consequently, in order to get those commodities to their market, and move the products we produce here in North Dakota, transportation infrastructure is a very critical and key component. I believe if any state is going to move ahead, a critical point is their infrastructure. This is not just confined to roads, I hope we would take a real indept look at the affect and impact of railroads and railroad transportation and also air and

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House Finance and Taxation Committee

Bill/Resolution Number HCR 3056

Hearing Date February 28, 2001

public transportation. I believe this should also include looking five, ten and fifteen years down the road. Where do we want the state of North Dakota to be five to twenty years down the road.

REP. WINRICH Made a motion for a **DO PASS**.

REP. BRANDENBURG Second the motion. **MOTION CARRIED BY VOICE VOTE**
AND WILL BE PLACED ON THE CONSENT CALENDAR.

REP. WINRICH Was placed on the floor assignment.

REPORT OF STANDING COMMITTEE (410)
February 28, 2001 1:16 p.m.

Module No: HR-34-4456
Carrier: Winrich
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3056: Finance and Taxation Committee (Rep. Carlson, Chairman) recommends DO PASS and BE PLACED ON THE CONSENT CALENDAR (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3056 was placed on the Tenth order on the calendar.

2001 SENATE TRANSPORTATION

HCR 3056

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3056

Senate Transportation Committee

☐ Conference Committee

Hearing Date 3-16-01

Tape Number	Side A	Side B	Meter #
1	x		25.8-50.6
Committee Clerk Signature <i>Suzette Schaefer</i>			

Minutes: **HCR 3056** is a concurrent resolution directing the Legislative Council to study the state of and future demands on the transportation infrastructure in this state.

Rep. Merle Boucher: (District 9; Supports) See attached testimony. There are four companion resolutions to go with this resolution all dealing with infrastructure. There is a package of 5 bills that deal with critical infrastructure: Water and water development, transportation, technology, education, and medical services. If we are going to reach and obtain our vision, we need to look at the support and capacity of infrastructure.

Senator Mutch: Another area to be considered is the transmission of electricity.

John Mielke: (Public Service Commission; Supports) Hands out Steve Strenge's testimony. The commission supports this. We are anxious to participate with whomever proceeds with those types of studies. There are some major trends going on with transportation. Transportation is vitally important to ND.

Connie Sprynczynatyk: (ND League of Cities; Supports) This is simply compatible with the study that has already been announced within the administration and we are happy to participate in that. I find it interesting that transportation is the number one considering relating to economic development in one form or another.

Mark Holzer: (ND Aeronautics Commission; Supports) See attached handout.

Shirley Rennon: (Minot; Supports) Hands out and reads Raylynn Lauderdale's testimony. See attached.

Senator O'Connell: What mode of transportation is available in Minot for you?

Shirley Rennon: Minot does not have a 24 hour service, but it does have a good transportation system. We run until 10:00 p.m.. I got down here to testify because I am lucky enough to be able to get up out of my wheelchair and take the bus. It's not convenient because of the time frame though. I had to come down yesterday to be able to testify this morning only because the bus to Minot leaves again at 12:30.

Hearing closed.

Senator O'Connell motions to Do Pass. Seconded by Senator Espegard. Roll call taken. 5-0-1.

Senator O'Connell is the floor carrier. (Placed on the consent calendar)

314
Date:
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HCR 3054

Senate Transportation Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number Do Pass

Action Taken _____

Motion Made By O'Connell Seconded By Espgaard

Senators	Yes	No	Senators	Yes	No
Senator Stenehjem, Chairman	X		Senator O'Connell	X	
Senator Trenbeath, Vice-Chair	X		Senator Bercler		
Senator Mutch	X				
Senator Espgaard	X				

Total (Yes) 5 No 0

Absent 1

Floor Assignment O'Connell

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 16, 2001 12:19 p.m.

Module No: SR-46-5824
Carrier: O'Connell
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3056: Transportation Committee (Sen. Stenehjem, Chairman) recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HCR 3056 was placed on the Tenth order on the calendar.

2001 TESTIMONY

HCR 3056

**TESTIMONY BEFORE THE
HOUSE FINANCE AND TAXATION COMMITTEE
REGARDING HCR 3056
FEBRUARY 28, 2001**

Chairman Carlson and members of the Committee, I am Raylynn Lauderdale, Executive Director of People First of North Dakota. People First is a statewide self-advocacy organization working to enhancing the lives of people with disabilities. Transportation is one of the areas that our organization is working to improve in North Dakota. I believe it is imperative that the transportation infrastructure be studied in our state.

It is a known fact that many people with disabilities and people who are elderly need public transportation within their own communities and when traveling from town to town in North Dakota. However, a lack of transportation, particularly accessible transportation, is not available in many communities. If it is available, in many cases the time frame in which it is available prohibits individuals from participating in evening and weekend meetings, and community activities, from working hours other than 8:00 am to 4:30 PM, from attending church on Sunday . . . in other words, from having the quality of life that all citizens deserve who live in our state, our nation. We profess to have a "land of the free" yet many people are not free to come and go as they please . . . barred by a system that does not serve their needs.

For example, our Board of Directors holds quarterly meetings in Bismarck. Over this past year, our vice president, who resides in Devils Lake, has been unable to attend a majority of the meetings because there is no public transportation available from Devils Lake to Bismarck. The only way he can attend is if we are lucky enough to find someone whose trip to Bismarck coincides with our Board meetings. And within many communities, job opportunities are considerably limited for those who need accessible transportation.

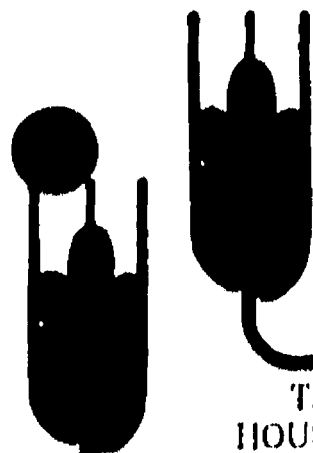
After working for many years in one community, hours of operation were finally increased for the transit system allowing people to have a life after 5:00 pm, and on the weekends. The day the city officials voted to increase the service, one gentleman shouted, "Finally I can go to church . . . I haven't been able to go even once for TWO years!" Something that most of us take for granted!

Please envision this . . . when you leave today and grab for your car keys, and head out the door . . . You are on your way home when you realize you need something at the grocery store, or one of your friends stops you and asks, "How about having dinner tonight?" If you are an individual who needs public accessible transportation, your response would be, "Sorry, I'm scheduled to go home. If you give me 24-hour notice, I can schedule a ride." Or better yet, if you were in a community less fortunate than Bismarck who has 24-hour transit service. . . "Sorry I can't go out to dinner. It's not an option for me because I have no way to get home after 4:30 pm or go anywhere on weekends.

Therefore, I ask you to consider all those who are living a "less-than-quality-life" because of a lack of transportation, when you make a decision regarding HCR 3056. Thank you.

Respectfully,

Raylynn Lauderdale
People First of North Dakota
400 E. Broadway, Suite 515
Bismarck, ND 58501
701-250-6745



NORTH DAKOTA GRAIN DEALERS ASSOCIATION

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CHERYL WELLE, Executive Assistant
CONNIE LEIEN, Administrative Assistant
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LARRY PHILLIPS, Safety & Health Director
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TESTIMONY ON HCR 3056 - WEDNESDAY FEBRUARY 28, 2001 10:00 A.M.
HOUSE FINANCE AND TAXATION COMMITTEE - REP. AL CARLSON, CHAIRMAN

Good morning Mr. Chairman and members of the Committee. My name is Steve Strege, I am the Executive Vice President of the North Dakota Grain Dealers Association. Nearly all the country grain elevators in our state are members.

We strongly support HCR 3056, and hope that it finds its way into an actual interim study. There is nothing quite so important to a grain elevator as transportation, for both shipping grain out and bringing ag inputs back in. Railroads haul around 70% of the grain and oilseeds from North Dakota elevators. The rest is by truck. Until we dig a canal or put locks in the upper Missouri River dams, that's it -- rail or truck. Of course in-state processing has grown in the past decade.

The BNSF is the dominant rail carrier in North Dakota. It is now pushing its shuttle train concept of 110 cars in corn and 104 cars in wheat. Depending on how much grain actually moves into these mega-terminals, the traffic pattern of grain trucks on many of our roads will change. There will be longer hauls in larger trucks to fewer locations. Notice I said depending on how much grain moves to these mega-terminals. The jury is still out on that. Wheat buyers aren't generally interested in those large quantities. Increasingly tighter quality specifications are more easily met in smaller shipments. But the railroad wants larger shipments from fewer locations. This process, carried far enough, will result in smaller elevators closing and railroad branch lines being abandoned. That will create even more stress on our highway system and strain on the DOT budget as the railroad shifts grain-gathering costs from its branch line system to the public sector of roads and highways.

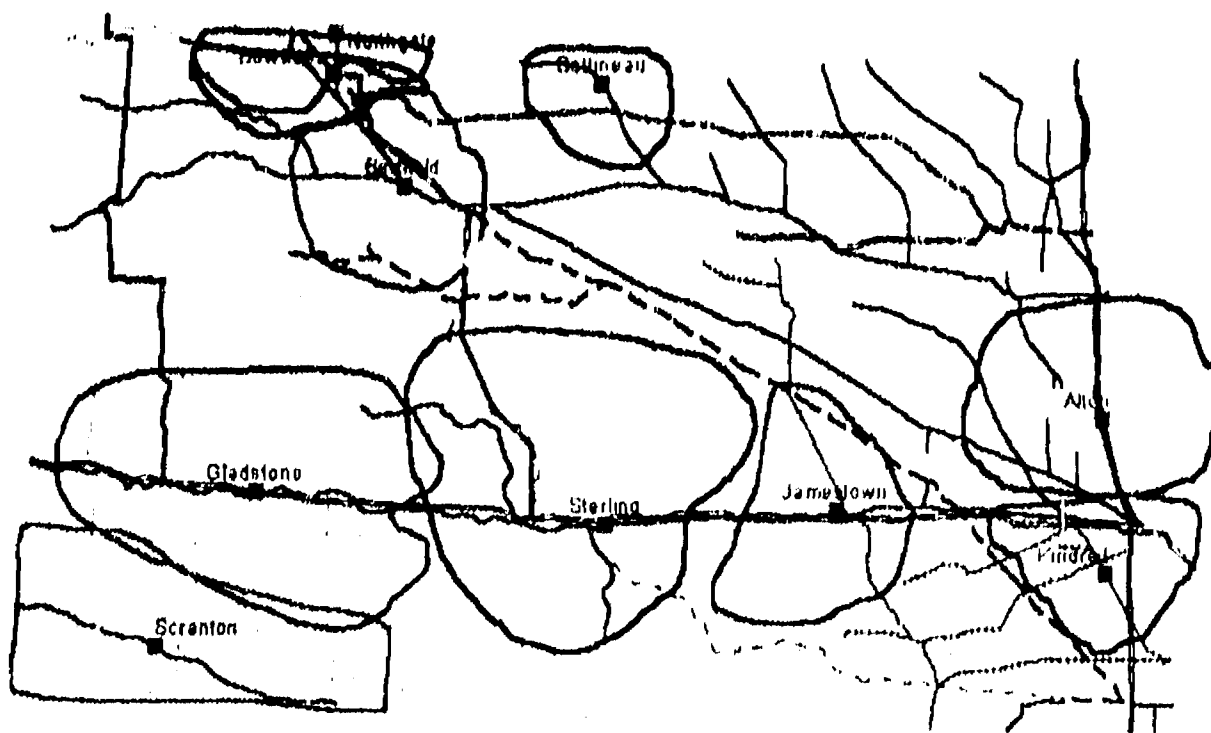
The process will be accelerated if the BNSF goes ahead with a car supply program it has recently announced called SCOOTs. Even though the shipment sizes will be around 58 cars, SCOOTs will be reserved for the 104 and 110 car mega-terminals. This will cut the legs out from under existing 52 and 54 car grain elevators which have invested millions over the past 10-15 years to make both themselves and the railroad more efficient. More grain will then have to move by truck. The time might be right to challenge such a discriminatory practice by the railroad.

The Canadian Pacific Railway also has a shuttle program, but is not as aggressive with it.

All of those things I mentioned lend support to the idea of conducting this study.

I will try to respond to any questions.

POTENTIAL DRAW AREA FOR SHUTTLE EQUIPPED ELEVATORS



Estimated Bushel Requirement for Ten Shuttle Facilities: 135,000,000 Bushels
 ➔ 20 percent of ND Annual Grain Production

Land Area in the Estimated Shuttle Facility Draw Areas: 22,751,000 Acres
 ➔ 45 percent of ND Land Area

Wheat in the Estimated Shuttle Facility Draw Areas: 133,308,000 Bushels
 ➔ 38 percent of Annual ND Wheat Production

LOCAL IMPLICATIONS:

- ◆ Longer Producer Truck Deliveries requires more Local Road/Bridge Spending
- ◆ Communities within Shuttle Draw Areas may lose Local Elevator
- ◆ Branch Lines within Shuttle Draw Areas may be Abandon
- ◆ Short Line Traffic may be Drawn to Class I Railroad Main Lines
- ◆ Local Processor Procurement Price Impacted by the more Competitive Rail Rate

Draw Area Estimate Based on these Assumptions:

- Rail Rates - Wheat, Effective September 1, 2000
- Elevator Infrastructure as of September 1, 2000
- Delivery made via Producer Semi-Truck Trailer
- Shuttle Rate 9.1¢ per Bushel Discount to Unit Train Rate
- Shuttle Rate Applicable for All Shipments
- Handling Costs Equal among Markets
- Producer Market Choice Based on Revenue Maximization
- Elevator Price=Minneapolis Price less Rail Freight
- Producer Revenue=Elevator Price less Truck Delivery Cost

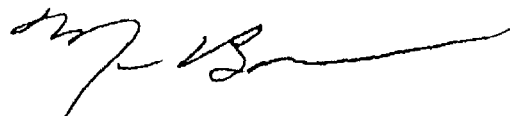
TESTIMONY IN SUPPORT OF HCR 3056
Senate Transportation Committee
Senator Bob Stenehjem, Chairman

Chairman Stenehjem and members of the Senate Transportation Committee, my name is Merle Boucher from District 9. I come before you today in support of HCR 3056.

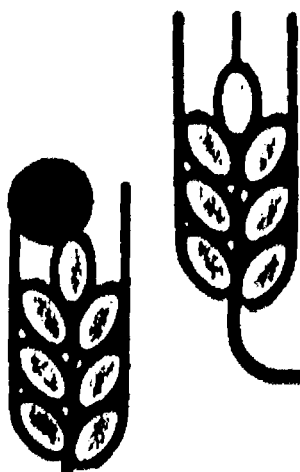
In our continuing efforts to diversify and develop the North Dakota economy, we must step back and look at our transportation infrastructure. Transportation in its many forms are critical in moving goods and people to where they are needed and wanted. It may seem obvious, but a thoughtful evaluation of our transportation needs will also be helpful in prioritizing investments in the infrastructure.

This study is a necessary tool for legislators and executives. It will enable them to make wise decisions in transportation investments to move the state through the 21st century.

Respectfully Submitted,



Merle Boucher



NORTH DAKOTA GRAIN DEALERS ASSOCIATION

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CHRISTAL WILKE, Executive Assistant
CONNIE LIEFER, Administrative Assistant
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TESTIMONY ON HCR 3056 -- FRIDAY MARCH 16, 2001 10:00 A.M.
SENATE TRANSPORTATION COMMITTEE - SEN. BOB STENEHJEM, CHAIRMAN

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We strongly support HCR 3056, and hope that it finds its way into an actual interim study. There is nothing quite so important to a grain elevator as transportation, for both shipping grain out and bringing ag inputs back in. Railroads haul around 70% of the grain and oilseeds from North Dakota elevators. The rest is by truck. Until we dig a canal or put locks in the upper Missouri River dams, that's it -- rail or truck. Of course in-state processing has grown in the past decade.

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The process will be accelerated if the BNSF goes ahead with a car supply program it has recently announced called SCOOTs. Even though the shipment sizes will be around 58 cars, SCOOTs will be reserved for the 104 and 110 car mega-terminals. This will cut the legs out from under existing 52 and 54 car grain elevators which have invested millions over the past 10-15 years to make both themselves and the railroad more efficient. More grain will then have to move by truck. The time might be right to challenge such a discriminatory practice by the railroad.

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**TESTIMONY BEFORE THE
SENATE TRANSPORTATION COMMITTEE
REGARDING HCR 3056
MARCH 16, 2001**

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It is a known fact that many people with disabilities and people who are elderly need public transportation within their own communities and when traveling from town to town in North Dakota. However, a lack of transportation, particularly accessible transportation, is not available in many communities. If it is available, in many cases the time frame in which it is available prohibits individuals from participating in evening and weekend meetings, and community activities, from working hours other than 8:00 am to 4:30 PM, from attending church on Sunday . . . in other words, from having the quality of life that all citizens deserve who live in our state, our nation. We profess to have a "land of the free" yet many people are not free to come and go as they please . . . barred by a system that does not serve their needs.

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Please envision this . . . when you leave today and grab for your car keys, and head out the door . . . You are on your way home when you realize you need something at the grocery store, or one of your friends stops you and asks, "How about having dinner tonight?" If you are an individual who needs public accessible transportation, your response would be, "Sorry, I'm scheduled to go home. If you give me 24-hour notice, I can schedule a ride." Or better yet, if you were in a community less fortunate than Bismarck who has 24-hour transit service. . . "Sorry I can't go out to dinner. It's not an option for me because I have no way to get home after 4:30 pm or go anywhere on weekends.

Therefore, I ask you to consider all those who are living a "less-than-quality-life" because of a lack of transportation, when you make a decision regarding HCR 3056. Thank you.

Respectfully,

Raylynn Lauderdale (#269)
People First of North Dakota
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701-250-6745

REF 3036

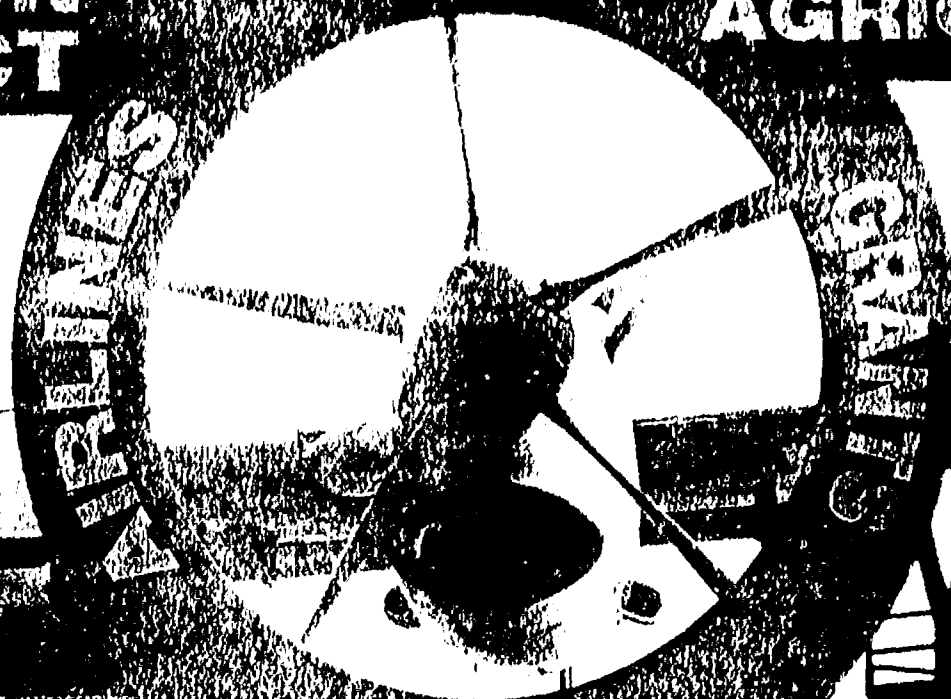
NORTH DAKOTA AVIATION SYSTEM PLAN

Contact agency or
State Library for copy



AVIATION IMPACT

AGRICULTURE



CHARTERS

PASSENGERS

EXECUTIVE REPORT



Prepared by
North Dakota
Aeronautics Commission

For Information Contact
DDA Building
Grand Forks, ND 58201
Telephone (701) 775-1111
Web site: www.nd.gov/aviation