

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Transportation

Minutes of the 5th Meeting of the 2019 Interim

October 1, 2019

Call to Order and Roll Call

The fifth meeting of the Budget Review Subcommittee on Transportation of the Interim Joint Committee on Appropriations and Revenue was held on Tuesday, October 1, 2019, at 10:00 AM, in Room 131 of the Capitol Annex. Senator Jimmy Higdon, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Jimmy Higdon, Co-Chair; Senators Christian McDaniel and Robin L. Webb; Representatives Chris Fugate, Thomas Huff, John Sims Jr, and Ken Upchurch.

Guests: Heather Stout, Executive Director, Office of Information Technology, KY Transportation Cabinet (KYTC); John Eiler, Project Manager, KAVIS System, KYTC; Jon Wilcoxson, Assistant State Highway Engineer, KYTC; John Chilton, State Budget Director, Office of State Budget Director (OSBD); Janice Tomes, Deputy State Budget Director, OSBD; and, Andrew McNeill, Director, Americans for Prosperity.

LRC Staff: Justin Perry and Spring Emerson.

KAVIS System

Heather Stout and John Eiler provided a brief presentation and update of the Kentucky Automated Vehicle Information System (KAVIS).

In response to a question from Chair Higdon, Ms. Stout said there is an upcharge when drivers' licenses are paid for with credit cards.

In response to a question from Senator McDaniel regarding the possibility of removing the Real ID system from the county clerks' offices, Ms. Stout said they will provide that information to the committee at a later date. There is a plan to extend the KAVIS team to become the drivers' license replacement team, as well as to replace the mainframe system, which will provide more flexibility with how those systems are handled in the future. The Department of Homeland Security does not currently permit the function of uploading documents directly to the Real ID system, but that could change. Chair

Higdon commented that passport renewals can be done online, even though the initial application for a passport cannot.

In response to a question from Representative Sims, Mr. Eiler said the KYTC has visited county clerks' offices in almost every county in the state to observe the transition to the Real ID system. There are other ways to engage county clerks, such as the working groups that come to Frankfort for training and hands-on experience with the system that provide feedback.

In response to questions from Senator Webb, Ms. Stout said no extra costs to agencies are anticipated, and due to the streamlining functions, they may realize a savings, or at least remain neutral. With the new system having five years of data rather than only one year, it may help identify the occurrence of tax fraud and help eliminate the use of fraudulent temporary tags. Communication and data sharing with other agencies could carry over to criminal investigations, as well as assist car dealers with sales transactions.

In response to a question from Representative Huff regarding liens on vehicles and the necessary paperwork involved, Ms. Stout said the new system has resulted in a reduction of the time required to process the documentation so that it takes days instead of weeks.

In response to a question from Chair Higdon regarding the scan code on the drivers' license, Mr. Eiler said the barcode is linked to only the secure information that is found on the front of the card. Chair Higdon commented that citizens need to be properly informed in order to prevent panic. Ms. Stout said issues with the new system will be worked out before the October 2020 federal deadline.

Road Fund Appropriations

John Chilton, State Budget Director, OSBD, and Janice Tomes, Deputy State Budget Director, OSBD, presented information outlining Road Fund appropriations within the state biennial budget.

In response to a question from Senator McDaniel, Mr. Chilton agreed to provide information to the committee at a later date regarding the percent of the Kentucky State Police agency budget in the Road Fund, as well as how much in the Road Fund is spent on AMUs and pension payments.

In response to a question from Senator Webb regarding the generation of revenue, Mr. Chilton said the Consensus Forecasting Group (CFG) will produce an official revenue estimate in December. He added that the OSBD is currently working on a tax expenditure report for release in November.

Highway Maintenance

Jon Wilcoxson, Assistant State Highway Engineer, KYTC, provided an overview of the Department of Highways, Maintenance Department.

In response to questions from Chair Higdon, Mr. Wilcoxson said there are no retirement costs for contractors. He said he cannot attempt to predict the winter forecast. Chair Higdon complimented the Elizabethtown highway district for their quick response to a bridge closure on the Bluegrass Parkway and the necessary diversion of traffic through Bardstown. Mr. Wilcoxson said District 4 personnel did an impressive job.

In response to a request from Senator Webb regarding rest areas, Mr. Wilcoxson agreed to provide more information at a later date, including a breakdown of their status, as well as what is needed to eliminate the truck parking issue at Mt. Sterling. In response to a question from Chair Higdon regarding corporate sponsorship at rest areas and welcome centers, Mr. Wilcoxson said they may be able to generate some revenue, but not as much as one might expect.

In response to questions from Chair Higdon regarding guard rails, Mr. Wilcoxson said in some cases, federal guidelines require the replacement of an entire section, rather than just a portion of it.

Adjournment

There being no further business before the subcommittee, a motion for adjournment was made by Representative Upchurch, seconded by Senator Webb, and the meeting was adjourned at 11:39 AM.