

COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

Andy Beshear
GOVERNOR

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**VETO MESSAGE FROM THE
GOVERNOR OF THE COMMONWEALTH OF KENTUCKY
REGARDING HOUSE BILL 265 OF THE 2024 REGULAR SESSION**

Highway Construction Contingency Account

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following parts:

Page 5, line 9, after "Account.", delete the rest of the line.
Page 5, lines 10 through 11, in their entirety.

I am vetoing this part because it suspends the longstanding statute governing the use of the funds by eliminating statutory uses that include economic or industrial development and matching higher than expected federal funds. Not allowing these uses could cause Kentucky to lose grants or economic development projects.

County Priority Projects Program

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following parts:

Page 9, line 6, after "roads.", delete the rest of the line.
Page 9, lines 7 through 12, in their entirety.
Page 9, lines 17 through 22, in their entirety.

I am vetoing this part because it requires the approval of the General Assembly before the Transportation Cabinet can allocate the critical road dollars in fiscal year 2025-2026. The Transportation Cabinet receives and evaluates county road projects submitted by the counties on a continuous basis. Their past decisions have benefitted all 120 Kentucky counties. House Bill 265 changes that process so that the General Assembly would perform annual budgeting during the odd-numbered year legislative sessions and select the projects to be awarded from this funding. There is also a requirement for a continuous reporting of any county project submitted to be funded from the highway construction contingency account. This is an additional administrative burden, as the Transportation Cabinet already provides periodic reporting of these projects to the legislature.

Funding for Mega Projects

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following parts:

Page 11, lines 13 through 16, in their entirety.

I am vetoing this part because this provision will halt the planned work on the Mountain Parkway, the I-69 Ohio River Crossing, and the Hal Rogers Parkway projects until and unless a federal grant is awarded for these projects. Without state funding it is highly unlikely that Kentucky will receive a federal grant. I proposed to use \$300 million in surplus state funds for these projects to be used as the state share for federal grant applications. Recently, the United States Department of Transportation issued an historic notice of funding opportunity for the Multimodal Project Discretionary Grant program, with applications due in early May 2024, from one of the largest pools of federal competitive highway funding ever, \$5.1 billion. Without state funding to enhance Kentucky's chances to be selected for awards, this lack of funding will result in Kentucky being less competitive in this historic opportunity.

Driver Licensing Level of Service Report

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following parts:

Page 13, lines 14 through 23, in their entirety.

I am vetoing this part because it requires a detailed reporting of every visit to Kentucky's driver licensing offices around the state requiring each office to put a stopwatch on every person entering for any reason. This provision didn't seek a study which normally would include a sampling of data, like most service time studies use. As a result, it will divert significant office staff away from customer service and therefore increase wait times. This item is also an unfunded mandate.

Budget Implementation Reporting

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

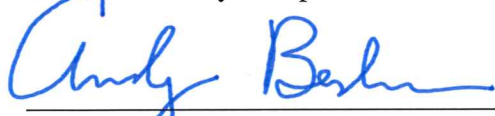
Page 2, line 22, after "Law.", delete "The Secretary".

Page 2, lines 23 through 26, in their entirety.

Page 2, line 27, delete "budgetary language provisions for each budget unit within the Transportation Cabinet."

I am vetoing this part because it imposes a new reporting requirement on the Transportation Cabinet about spending for programs that is redundant of reporting already provided. Moreover, the Cabinet provides numerous reports on their programs and associated spending that are comprehensive in nature, along with regular appearances before legislative committees and task forces updating on all aspects of their programs.

This, the 9th day of April, 2024.



Andy Beshear
Governor