

# **INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE**

## **Budget Review Subcommittee on Transportation**

### **Minutes of the 1st Meeting of the 2021 Interim**

**June 2, 2021**

#### **Call to Order and Roll Call**

The first meeting of the Budget Review Subcommittee on Transportation of the Interim Joint Committee on Appropriations and Revenue was held on Wednesday, June 2, 2021, at 11:00 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, Brandon J. Storm, Johnnie Turner, and Robin L. Webb; Representatives Chris Fugate, Samara Heavrin, Shawn McPherson, Phillip Pratt, Rachel Roberts, and Cherlynn Stevenson.

Guests: Secretary Jim Gray, Transportation Cabinet (KYTC); Mike Hancock, Deputy Secretary, KYTC; Commissioner Bobbi Jo Lewis, Department of Rural and Municipal Aid, KYTC; and, Kenny Bishop, Legislative Liaison, KYTC.

LRC Staff: Justin Perry, David Talley, and Spring Emerson.

#### **Selection of Projects Not in Six-Year Road Plan**

Secretary Gray provided an explanation and overview of “Zvarious” funding and the selection of projects not in the Six-Year Road Plan. Deputy Secretary Hancock talked about Metropolitan Planning Organizations (MPOs) and projects funded with the contingency account.

In response to a question from Representative Roberts regarding MPOs, Mr. Hancock said the federal funding authorization act allows funds to flow to Kentucky and those are divided into several buckets. The state gets some funds, and so do the MPOs. Ohio-Kentucky-Indiana Regional Council of Governments (OKI) is the MPO for Northern Kentucky.

In response to a question from Chair Higdon regarding the MPO process, Mr. Hancock said federal law requires that MPOs have certain ranges of authority related to local prioritization. KYTC works through MPOs to get metropolitan area projects included, and local governments cannot dictate how state funding can be spent. The Strategic

Highway Investment Formula for Tomorrow (SHIFT) program is independent of the MPO process, even though both take into account the prioritization process they each use and they work together accordingly. In regard to matching funds, if a project is done in a metropolitan area and is on a state-maintained system, typically the state will provide the matching funds. If it is a local street or county road, the locals will provide the matching funds. Mr. Hancock said of \$32 million in federal funds, approximately \$18 million goes to metropolitan Louisville, which includes parts of Bullitt and Oldham Counties as well as Jefferson County. When the MPO process takes place, representatives from all of those counties are present to prioritize projects. Therefore, a lot of the MPO projects originate locally and address primarily local concerns.

In response to a question from Chair Higdon regarding examples of “Zvarious” fund usage for pavement management projects, Mr. Hancock said there are degrees of rehabilitation within the pavement management category, including preliminary preventive maintenance that is very critical, then pavement repairs, followed by rehabilitation of old pavement, and finally, complete replacement for roads that are beyond repair.

In response to a question from Chair Higdon regarding information on pavement conditions, Mr. Hancock said that information will be provided to members of the subcommittee at a later date, as well as to members of the Interim Joint Committee on Transportation.

In response to a question from Chair Higdon regarding the difference between “Zvarious” funds and contingency funds for emergencies, Mr. Hancock said there are two ways to approach needs; 1) state funds, through the biennial budget; and, 2) combination of state and federal funds set aside in the “Zvarious” category. The “Zvarious” category contains three pots: enhancement funding, bridge/pavement repairs/unforeseen issues, and statewide bridge inspections. Bridge inspections are performed at least every other year, and those with higher usage are inspected annually.

In response to a question from Representative Stevenson regarding emergency situations, Mr. Hancock said when an emergency is declared, Federal Emergency Management Agency (FEMA) funds are made available. In those cases, the repairs are made initially using state funds, which are later reimbursed by FEMA. In addition, emergency relief funds are available from the Federal Highway Administration (FHWA).

In response to a question from Chair Higdon regarding other “Zvarious” categories, Mr. Hancock said school turn lanes fall under the federal Highway Safety Improvement Program (HSIP), and state funds are added for school safety issues.

Chair Higdon commented that the SHIFT program will be a topic for a future meeting.

Representative McPherson expressed his appreciation for help received on a safety issue in his district.

### **Selection of Revenue Sharing Projects**

Ms. Lewis provided an explanation and overview of the selection of projects using the statutory program of Revenue Sharing.

In response to a question from Chair Higdon regarding the Kentucky Pride fund, Ms. Lewis said that fund receives \$5 million.

### **Adjournment**

There being no further business before the subcommittee, the meeting was adjourned at 12:36 PM.