

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Transportation

Minutes of the 5th Meeting of the 2021 Interim

November 16, 2021

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, November 16, 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; Representative Sal Santoro, Co-Chair; Senators Johnnie Turner, Robin Webb, and Mike Wilson; Representatives Chris Fugate, Samara Heavrin, Thomas Huff, Shawn McPherson, Phillip Pratt, Rachel Roberts, Cherlynn Stevenson, and Ken Upchurch.

Guests: Amanda Spencer, Innovative Finance Manager, Kentucky Transportation Cabinet (KYTC); Jason Siwula, Assistant State Highway Engineer, KYTC; and, Gary Moore, Boone County Judge-Executive.

LRC Staff: Emma Mills, Justin Perry, and Spring Emerson.

Approval of Minutes

A motion was made by Representative Pratt to approve the minutes of the September 24, 2021 meeting. The motion was seconded by Representative Heavrin, and was approved without objection by voice vote.

Louisville Bridges Overview

Ms. Spencer provided an overview of the Louisville-Southern Indiana Ohio River Bridges (LSIORB) project.

In response to a question from Representative Pratt regarding the time limit for tolls, Ms. Spencer said when the bonds are paid off, toll charges will end.

In response to a question from Chair Higdon regarding the percentage of the tolls received for operations by the company collecting the money, Ms. Spencer said more information will be provided at a later date.

Highway Safety

Mr. Siwula provided an overview of Highway Safety.

In response to a question from Chair Higdon regarding total funds spent in 2021, Mr. Siwula said there was a state matching requirement for some of the funds, but some funding was subject to other rules and regulations.

In response to a question from Chair Higdon regarding pedestrians and bicyclists, Mr. Siwula replied that those death numbers are included in the total number of highway deaths. He added that highway death data is analyzed annually, and more information will be provided at a later date.

Transportation Improvement Districts

Co-Chair Santoro and Judge Moore provided information on Transportation Improvement Districts (TIDs).

Senator Wilson commented that there is a very successful Tax Increment Financing (TIF) district in Warren County, and he asked how the TID would work. Mr. Moore explained that a TIF is a special funding tool that allows local governments to invest in public infrastructure and other improvements up front, with the local government paying later for those investments. He said a TIF is more restrictive, and a TID is a fiscal agreement between various partners to raise revenue for infrastructure projects within a defined geographic area. TIDs are governed by a board whose job is to identify priority improvements, oversee financing, construction, maintenance, and repair of highways and roads. TIDs must capture funding through taxes, tolls, or other fees. Revenue raised from these taxes or fees is returned to the city or county transportation improvement fund. Ohio has been using TIDs successfully for approximately twenty years, and they are being used more and more in other states.

In response to a question from Representative Pratt regarding improvements, Co-Chair Santoro said improvements such as roads, water and sewer projects, and broadband can be made but only within the boundary defined by the TID.

In response to a question from Representative McPherson regarding imminent domain, Mr. Moore said one would need to go back to the elected body to get imminent domain declared, which would be the city or county that it is in, or the highway cabinet issuing imminent domain.

In response to a question from Chair Higdon regarding a governing body, Co-Chair Santoro replied that it would be a separate entity, but with input from city or county elected officials.

In response to a question from Senator Turner regarding funding, Co-Chair Santoro said there is nothing to prohibit the officials from requesting funds from the General Assembly. Mr. Moore added that in Ohio, the TIDs have been so successful that when the state of Ohio is preparing its transportation plans, it will allocate up-front money to the TIDs to do certain things in that biennium. The blended funds make the state funds go further, and in some cases can be renewable.

In response to questions from Representative Roberts regarding Ohio having examples of the TID not working, Co-Chair Santoro said there were no failures in Ohio. He added that a TID is faster than going through the Six-Year Road Plan. Mr. Moore said lenders make sure that protections are built in.

Adjournment

Chair Higdon introduced Morgan Cecil as the newest Senate Transportation staff person, who is taking the place of Laura Beth Long.

There being no further business before the subcommittee, the meeting was adjourned at 11:52 AM.