

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Transportation

Minutes of the 3rd Meeting of the 2022 Interim

September 21, 2022

Call to Order and Roll Call

The third meeting of the Budget Review Subcommittee on Transportation of the Interim Joint Committee on Appropriations and Revenue was held on Wednesday, September 21, 2022, at 10:30 AM, in Room 131 of the Capitol Annex. Representative Sal Santoro, 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 Brandon J. Storm, Johnnie Turner, and Mike Wilson; Representatives Randy Bridges, Chris Fugate, Samara Heavrin, Thomas Huff, Shawn McPherson, Phillip Pratt, Rachel Roberts, Cherlynn Stevenson, and Ken Upchurch.

Guests: Jim Gray, Secretary, Kentucky Transportation Cabinet (KYTC); John Moore, Deputy State Highway Engineer, KYTC; Kenny Bishop, Legislative Liaison, KYTC; Sarah Jackson, Project Manager, Real ID Program, KYTC; and, Matt Cole, Commissioner, Department of Vehicle Regulation, KYTC.

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

Approval of Minutes

A motion was made by Representative Upchurch to approve the minutes of the August 17, 2022 meeting. The motion was seconded by Representative Pratt, and the minutes were approved without objection.

Eastern KY Flood Recovery and Mitigation

Jim Gray, Secretary, KYTC, provided an overview of the steps being taken to assist in the recovery and mitigation of the flood damage in Eastern Kentucky. John Moore, Deputy State Highway Engineer, provided additional information regarding the state highways that were damaged.

In response to a question by Co-Chair Santoro regarding funding, Mr. Moore said Kentucky Emergency Management (KEM) staff had been working on needed repairs and

will seek reimbursement through the Federal Emergency Management Agency (FEMA). As a result, the financial burden on KYTC Maintenance funds will be temporary.

Representative Fugate expressed his appreciation for everyone who has worked to assist with the disaster. He said everything in the area is beginning to look better and people are in the process of rebuilding.

Senator Turner commented that Knott, Letcher, and Floyd Counties had been hit hard by the disaster. He commended the KYTC and other agencies for their rapid response and hard work.

Co-Chair Higdon commented that seeing is believing, and the devastation was indescribable. He inquired about cost projections, and Secretary Gray said they are starting to estimate costs, but there is a lot of work yet to be identified. Mr. Moore added that due to fluctuating prices and current inflation rates, the full impact is unknown at this time.

In response to a question from Co-Chair Higdon regarding bridges, Mr. Moore said that inspections are required biannually on bridges over twenty feet long. He added that more structures were found than were previously known about, and were not listed in the inventory. That likely could reduce the reimbursement of funds from FEMA, and could cause a substantial impact to the budget. Secretary Gray added that reimbursements will be vigorously pursued. He said the magnitude of necessary repairs and rebuilding amounts to more than what would be required throughout the entire state on an annual basis.

In response to a question from Co-Chair Santoro regarding the required matching rate for the various federal funds, Mr. Moore said the two pots of money they can pull from are Federal Aid Routes through the Federal Highway Administration (FHWA) which offers an 80/20 percent match, and the balance of the repair costs would go to FEMA, which is currently at a 75/25 percent match. They do offer a thirty day window that offers a 100 percent reimbursement, which will be set statewide by KEM. They are currently evaluating expenses to determine when to apply the thirty-day window for the enhanced funding. The matching rate that was applied during the Western Kentucky tornado disaster was a 90/10 percent match.

Regional Drivers Licensing Update

Sara Jackson, Real ID Project Manager, and Matt Cole, Commissioner, Department of Vehicle Regulation, provided an update of the expansion of Regional Drivers Licensing offices.

In response to a question from Co-Chair Santoro regarding the number of regional offices, Commissioner Cole said at the beginning of the program, there were eighteen offices and currently there are thirty-two. There are only seven counties that require customers to drive two counties over. Along with online and mail-in renewals, there is an

option for everyone. Notices are posted on social media accounts and signage is used to redirect people to the appropriate office for their area. Ms. Jackson added that the use of stand-up laptops at the state fair this year was also successful. Commissioner Cole said there is signage in the offices indicating when the walk-in slots are full for the day, and the website shows this information as well.

Co-Chair Higdon commented that they have a good team that are proactive and resolve issues. He asked how close the program is to self-sustaining. Commissioner Cole said it is not fee based; however, the funds that are brought in go into the Road Fund and then are allocated to cover the cost of producing the license and cover the services provided. He said the Department of Vehicle Regulation brings in almost \$1 billion per year, and most of that goes into the Road Fund.

In response to a question from Co-Chair Higdon regarding the Kentucky Automated Vehicle Information System (KAVIS), Commissioner Cole said it is coming along nicely and the entire system is expected to be complete by June of next year, which will include the insurance verification process.

In response to a question from Representative Roberts regarding the pop-up locations being open on Saturdays, Commissioner Cole said a pilot project including extended hours is slated to begin on October 1.

In response to a question from Representative Roberts regarding serving the vulnerable population such as the homeless, Commissioner Cole said that is being addressed as well as a reentry program for inmates. Ms. Jackson added that they are reaching out to local partners on that project. Commissioner Cole noted that includes county and circuit clerks and local libraries, among others.

In response to a question from Co-Chair Santoro regarding travelers who lose their license while out of the country, Commissioner Cole said those individuals should visit the US Consulate in that country. Another option would be to apply for the Transportation Safety Administration (TSA) process at the local airport, which requires a secondary two-day screening.

In response to a question from Co-Chair Santoro regarding hours of operation when the Real ID program is fully implemented, Ms. Jackson said the plan is to implement evening and weekend hours in selective areas, depending on demand. She added that currently there are over one million active passports in Kentucky.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 11:35 AM.

