

INTERIM JOINT COMMITTEE ON TRANSPORTATION

Minutes of the 1st Meeting of the 2024 Interim

June 4, 2024

Call to Order and Roll Call

The first meeting of the Interim Joint Committee on Transportation was held on June 4, 2024, at 1:00 PM in Room 149 of the Capitol Annex. Representative John Blanton, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative John Blanton Co-Chair; Senator Jimmy Higdon Co-Chair; Senators Karen Berg, Robby Mills, Brandon Smith, Brandon J. Storm, Johnnie Turner, Gex Williams, and Mike Wilson; Representatives Randy Bridges, Adrielle Camuel, Ken Fleming, Peyton Griffie, David Hale, Samara Heavrin, John Hodgson, Thomas Huff, Mary Beth Imes, Derek Lewis, Bobby McCool, Amy Neighbors, Ruth Ann Palumbo, Tom Smith, Ashley Tackett Laferty, Walker Thomas, Ken Upchurch, and Bill Wesley.

Guests: Jim Gray, Secretary, Kentucky Transportation Cabinet (KYTC); Heather Stout, Executive Director, Office of Information Technology, KYTC; Eddie Pagan, Branch Manager for Registrations and Motor Vehicle Licensing, KYTC; Jon Johnson, Assistant General Counsel, KYTC;

LRC Staff: John Snyder, Dana Fugazzi, Ashley Nash, and Christina Williams.

Consideration of Referred Administrative Regulations

601 KAR 012:080 Proposed - Drivers license or personal ID renewal or replacement for persons without an established and fixed nighttime residence.

Jon Johnson, Assistant General Counsel, KYTC gave a brief explanation of the administrative regulation 601 KAR 012:080 and its amendment. The amendment was filed to accommodate changes made in House Bill 8 of the 2024 Session which eliminated fees for Identification cards for homeless individuals. Representative John Hodgson motioned to approve the amendment. Representative Walker Thomas seconded the motion, which passed by voice vote with no objection. The regulation was not found to be deficient nor deferred and will become effective with the approved amendment.

Update from KYTC on Implementation of 2024 Regular Session Legislation

Jim Gray, Secretary, KYTC, briefed the committee on implementation of the 2024 Regular Session legislation, specifically focusing on the importance of 1,700 projects that are in the

Committee meeting materials may be accessed online at <https://apps.legislature.ky.gov/CommitteeDocuments/34>

state highway plan, the Kentucky Automated Vehicle Information System (KAVIS), and Chairman Blanton's sponsored work zone safety legislation. Secretary Gray honored KYTC employee Blake Barnes, who was tragically killed recently due to a work zone accident and stressed the importance of continuing legislation to protect workers so that these tragedies do not continue.

KAVIS Update

Heather Stout, Executive Director, Office of Information Technology, KYTC, gave an update on the newly implemented Kentucky Automated Vehicle Information System (KAVIS) and compared the first five months of performance from AVIS in 2023 to KAVIS in 2024. Some challenges are still being faced, as they are converting from a vehicle centric to customer centric model. Ms. Stout added they are continuing to personally visit clerk offices to experience the challenges first-hand. Prioritized system improvements were discussed, as well as the issue of backlogs with rebuilt titles. Corrective action has been taken to address those problems, and four additional staff have been hired. Ms. Stout gave an update on the KY ELT system, which will allow dealers and other fleet owners to electronically file title paperwork.

Chairman Blanton thanked Ms. Stout for her efforts involving the implementation of KAVIS and reiterated that the system is new and replaces a system that was in place for several decades, so there are bound to be issues that arise. He thanked KYTC for responding in a timely manner and addressing those issues. In response to an inquiry from Chairman Blanton concerning a real-time insurance portion to be integrated into the system, Ms. Stout stated that the insurance portion is the only part that is left on the mainframe, and it is a goal to have that implemented into KAVIS, but she cannot give a timeframe on when that will be completed.

Chairman Blanton expressed his sympathy for the loss of the KYTC employee Blake Barnes that lost his life due to an accident in a work zone and expressed his commitment to continue to further legislation that prioritizes safety.

In response to a question asked by Representative Derek Lewis, Ms. Stout, after consulting with Eddie Pagan, Branch Manager for Registrations and Motor Vehicle Licensing, KYTC, stated currently they are processing about three days' worth of rebuilt titles in two days, so she is hoping much progress will be made in upcoming weeks.

Members including Senator Brandon Storm, Representative Derek Lewis, and Representative John Hodgson raised specific constituent concerns with rebuilt title issues, as well as other title and insurance issues.

In response to a question from Representative Thomas Huff, Ms. Stout and Mr. Pagan

clarified that the inspections of rebuilt vehicles at the cabinet level consist of a deep dive into repair records and materials used.

In response to another question from Representative Huff as to whether the backlog of rebuilt title applications is acceptable, Ms. Stout stated that Issues when KAVIS first came online led to a backlog of regular title application that were prioritized, and the staff are now aggressively tackling the backlog of rebuilt titles with the goal of getting those titles down to normal turnaround times of 5 to 7 business days.

In response to a question asked by Representative John Hodgson, Ms. Stout stated KAVIS was custom built for Kentucky.

In response to a question asked by Ken Upchurch, Ms. Stout stated they are currently completely overhauling the sheriff's inspection system, and the certification process for inspectors will change and be more streamlined, which will include an electronic means for completing inspections.

In response to a question asked by Representative Samara Heavrin, Ms. Stout stated the development of KAVIS was done through KYTC, who hired a team of resources, and did not involve the Commonwealth Office of Technology or Kentucky Interactive.

In response to a follow-up question asked by Representative Heavrin, Ms. Stout stated the four additional employees that have been hired to help with the rebuilt title backlog will have traditional workday hours, however, as they have done with catching up on backlogs of regular vehicle titles, they have changed processes and allow additional work hours in order to catch up. Once that backlog is caught up, traditional hours will resume. Representative Heavrin requested monthly KAVIS updates.

In response to a question asked by Senator Robby Mills concerning titling. Ms. Stout stated there is currently a customer merge process that the county clerks are doing that involves merging or unmerging records to get each person an individual record in the system. That process is already underway for customers, and they are working on the merging of those records for dealerships or other organizations.

Informational Item - Fuel Tax Rates for Fiscal Year (FY) 2025

A handout was provided showing the average wholesale price of gasoline for FY 2025 fuel tax calculation.

Adjournment

With no further business to come before the committee, Chairman Blanton adjourned the meeting at 1:54 P.M.

