

INTERIM JOINT COMMITTEE ON TRANSPORTATION

Minutes of the 1st Meeting of the 2026 Interim

June 2, 2026

Call to Order and Roll Call

The first meeting of the Interim Joint Committee on Transportation was held on June 2, 2026, at 1:00 PM ET/12:00 PM CT 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 Donald Douglas, Greg Elkins, Brandon Smith, Phillip Wheeler, Gex Williams, and Mike Wilson; and Representatives Ryan Bivens, Randy Bridges, Anne Gay Donworth, Myron Dossett, David Hale, Samara Heavrin, John Hodgson, Thomas Huff, Mary Beth Imes, Matthew Lehman, Bobby McCool, Amy Neighbors, Tom Smith, Ashley Tackett Laferty, Walker Thomas, and Ken Upchurch.

Guests: Mike Hancock, Deputy Secretary, Kentucky Transportation Cabinet (KYTC); Shaun Mckiernan, Executive Director, Office of Budget and Fiscal Management, KYTC; Chad LaRue, Professional Engineer, Executive Director, Kentucky Association of Highway Contractors, Inc. (KAHC); Bobbi Jo Lewis, Commissioner, Department of Rural and Municipal Aid, KYTC; Jessica Basket, Program Coordinator, Motor Vehicle Commission (MVC), KYTC; Heather Stout, Executive Director, Office of Information Technologies, KYTC; Matt Cole, Commissioner, Department of Vehicle Regulation, KYTC; John Moore, Deputy State Highway Engineer, KYTC; and James Ballinger, State Highway Engineer, KYTC.

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

Effect of Gas Tax Reduction on Road Fund, Revenue Sharing, and Highway Construction and Maintenance

Mike Hancock, Deputy Secretary, KYTC; Shaun Mckiernan, Executive Director, Office of Budget and Fiscal Management, KYTC; and Chad LaRue, Executive Director, KAHC, discussed the Executive Order issued by Governor Beshear declaring a state of emergency and reducing the gasoline tax by 10 cents per gallon, and its effects on the road fund, revenue sharing, and highway construction and maintenance. It is estimated that a 10 cent per gallon reduction in the gas tax would reduce road fund receipts by approximately \$27 million per month.

Chair Blanton and Co-Chair Higdon, along with Representatives Upchurch, Lehman, Donworth, Heavrin, Bridges, Dossett, and Senators Wheeler and Elkins, reiterated that the tax reduction made little economic sense, yielded little, if any, benefits to individual Kentuckians, and risked cutting off needed funds to maintain state highways and provide local governments vital infrastructure funding.

Representative Upchurch made a motion that the committee be provided a list of the cities and counties that request to extend the gas tax reduction after the initial 30-day timeframe. Representative Dossett seconded the motion, which passed by voice vote.

Implementation of Legislation from the 2024, 2025, and 2026 Regular Sessions

Bobbi Jo Lewis, Commissioner, Department of Rural and Municipal Aid, KYTC, spoke on the new grant pool for counties and cities in 2026 RS HB 501. The funding for Fiscal Year (FY) 2027 is \$24 million, with each county receiving \$100,000 and each city that is a county seat receiving \$100,000. The application cycle begins July 1, 2026, and ends June 30, 2027. The

updated application form (TC 20-47) is available on the KYTC forms library. A dollar-for-dollar local match is required and authorized projects include road improvements, construction of new routes, sidewalk construction and repair, multimodal transportation, and resurfacing.

In response to Representative Smith, Commissioner Lewis stated chip seal surfacing is included in the Local Assistant Road Program (LARP), and not eligible for the grant under HB 501.

Jessica Basket, Program Coordinator, MVC, KYTC, spoke on recyclers oversight and licensing by the MVC in 2026 RS SB 291. An online database is being developed, and the new secondary metal recycler license format has been approved. KYTC's legal counsel will speak to the Kentucky County Attorney's Association regarding all of the activities the MVC will be undertaking.

Heather Stout, Executive Director, Office of Information Technologies, KYTC, updated the committee on the Kentucky Electronic Lien and Titling System (KYELT). KYTC contracted with Tyler Technologies and Champ Titles to assist with the integration between KAVIS and dealers. KYELT implementation began in the summer of 2024 and since that time, over 200 dealers have been onboarded. 15,419 titles were processed electronically in April 2026 alone.

In the 2026 session, SB 110 established requirements for electronic titling and centralized lien management. In July 2026, the scope was finalized to implement key new features, including fee and reporting changes. The goal is to have the system launched by January 1, 2027, to meet the July 1, 2027, deadline for electronic submission of titles and liens.

Chair Blanton and Co-Chair Higdon complimented Ms. Stout on a job well done with each KAVIS rollout.

In response to Senator Elkins, Ms. Stout stated implementation of certain components of the permanent fleet registration will occur in June or July of 2026, and she will provide more information as that progresses.

Matt Cole, Commissioner, Department of Vehicle Regulation, KYTC, updated the committee on the clerk's fees implemented by regulation through 2026 RS SB 110. He stated they have met with county clerk leadership to begin building the framework of this regulation.

Commissioner Cole also updated the committee on sheriff's inspections in accordance with 2024 RS HB 833. In response to concerns regarding fraudulent sheriff inspections, the Kentucky Sheriffs' Association worked with the General Assembly to establish an electronic inspection program aimed at improving accountability, oversight, and fraud prevention. The electronic inspection program launched in Fall 2025 and expanded inspection authority beyond sheriff offices to include licensed motor vehicle dealers. Since launch, there have been 442 sheriff inspectors and 10 special dealer inspectors certified.

Commissioner Cole also updated the committee on the Division of Motor Carriers (DMC) launch of Kentucky's new Towing & Storage Certificate online application on May 15, 2026, to implement 2025 RS HB 493. The system allows towing companies to apply, submit insurance and rate sheets, pay fees, and print certificates online. Companies are now required to submit rate sheets, which are published on Drive.KY.Gov, to improve transparency. Most complaints received involve fee disputes, which DMC does not directly regulate. When complaints are received, DMC works with both parties to encourage resolution and reviews company credentials and posted rate sheets for compliance. If

disputes remain unresolved after 30 days, complaints are referred to the Kentucky Department of Insurance, and complainants are advised of available civil remedies.

In response to Chair Blanton, if compliance is not obtained, a company can be fined or not certified to do business, and all companies should be in compliance now.

John Moore, Deputy State Highway Engineer, Department of Highways, KYTC, updated the committee on work zone safety automated enforcement in 2025 RS HB 664. Various camera vendors performed demonstrations, and KYTC, KAHC, and Kentucky State Police (KSP) worked together to determine which technology solutions best suited the needs for the pilot project and began field testing. Under the law, no personal information is gathered or retained, all images that are not retained as an evidence package are deleted from the system within 15 minutes, and all information transmitted and transferred to the officer is encrypted. Unit certification is included on every evidence package and the accuracy is confirmed every 24 hours.

Pilot projects were deployed in fall of 2025 where speed cameras were present, which did show a preliminary result of motorists slowing down. Moving forward, KYTC plans to expand to 12 project units with law enforcement training beyond KSP. A crash analysis will be conducted after a full year of use of the project.

Co-Chair Higdon thanked Chair Blanton for his work on this legislation.

Presentation on the Interstate 65 project in Louisville

James Ballinger, State Highway Engineer, KYTC, gave an update on the I-65 project in Louisville to replace three major bridges in the downtown corridor that were built in the 1950s and 1960s as part of the original interstate construction. Closure of I-65 began June

1, 2026, and is expected to reopen at least 2 lanes of traffic in each direction by August 1, 2026. There will however be restrictions, including road and ramp closures, through the end of the project in late 2027. The work will include under bridge lighting upgrades and sidewalk reconstruction.

In response to Representative Lehman, Mr. Ballinger stated they partnered with the Louisville Metro Government to obtain input from residents of neighborhoods along I-65. They have estimated there will not be many changes to the final footprint once the project is complete, however, certain areas will see increased lighting and additional sidewalks.

Adjournment

With no further business to come before the committee, Chair Blanton adjourned the meeting.