

A CONCURRENT RESOLUTION establishing the Mileage-Based Transportation Funding Task Force.

WHEREAS, Section 230 of Kentucky's Constitution requires that any excise tax on motor vehicle fuels be spent on highway- and bridge-related projects; and

WHEREAS, because of this restriction, the road fund has become a major source of revenue to meet highway funding needs; and

WHEREAS, Kentucky's gasoline tax is adjusted annually based on the average wholesale price of gasoline; and

WHEREAS, during the 2015 Regular Session, the General Assembly froze the gasoline tax floor at 26 cents per gallon in order to prevent a reduction in revenue due to the decrease in the average wholesale price of gasoline; and

WHEREAS, in 2014, the average price of a gallon of gasoline in the United States was \$3.38 per gallon; however, in December of 2015, the average price fell below \$2 for the first time since 2009; and

WHEREAS, for 2016 model-year vehicles, each carmaker's fleet must average 34.1 miles per gallon, up from the previous 33.8 miles per gallon, further reducing fuel usage; and

WHEREAS, technological advancements and government incentives have spurred an increase in the popularity of hybrid and electric vehicles, which travel the highways untaxed if they use alternative fuels; and

WHEREAS, a number of states have implemented road usage fees for electric vehicles, and Oregon has implemented a pilot program to tax vehicles based on vehicle-miles traveled (VMT);

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

➔Section 1. The Legislative Research Commission is hereby directed to create the

Mileage-Based Transportation Funding Task Force, which shall develop and study the implementation of a mileage-based transportation funding mechanism to replace the current system of taxing highway use through motor vehicle fuel taxes.

➔Section 2. (1) The task force shall be composed of the following members, with final membership of the task force being subject to the consideration and approval of the Legislative Research Commission:

(a) Three members of the Senate Transportation Committee, two to be appointed by the President of the Senate, and one to be appointed by the Minority Floor Leader of the Senate;

(b) Three members of the House Transportation Committee, two to be appointed by the Speaker of the House, and one to be appointed by the Minority Floor Leader of the House;

(c) The Secretary of the Transportation Cabinet or his or her designee;

(d) The Secretary of the Finance and Administration Cabinet or his or her designee; and

(e) One representative of the Governor's office.

(2) The President of the Senate and the Speaker of the House shall each appoint one co-chair of the task force from among that chamber's members appointed to the task force.

➔Section 3. The task force shall meet at least monthly during the 2016 Interim of the General Assembly. The task force shall submit its findings and recommendations and any proposed legislation to the Legislative Research Commission for referral to the appropriate committee or committees by December 1, 2016.

➔Section 4. Provisions of this Resolution to the contrary notwithstanding, the Legislative Research Commission shall have the authority to alternatively assign the issues identified herein to an interim joint committee or subcommittee thereof and to designate a study completion date.