

1 AN ACT relating to transportation and making an appropriation therefor.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) The Kentucky Transportation Board is established, and shall perform the duties*
6 *outlined in Section 2 of this Act.*

7 *(2) (a) The board shall consist of nine (9) voting members, and the secretary of the*
8 *Transportation Cabinet, who shall serve as an ex officio, nonvoting*
9 *member.*

10 *(b) The nine (9) voting members shall be citizen members who shall be*
11 *appointed by the Governor in accordance with subsections (3) and (4) of*
12 *this section.*

13 *(c) Of the nine (9) voting members:*

14 *1. Six (6) shall be residents of and represent each of the six (6)*
15 *congressional districts in the Commonwealth; and*

16 *2. Three (3) shall be at-large members, with at least one (1) at-large*
17 *member residing in an urbanized area as defined by the United States*
18 *Census Bureau, and at least one (1) at-large member residing outside*
19 *an urbanized area or urban cluster as defined by the United States*
20 *Census Bureau.*

21 *(3) The governing bodies of each of the following organizations shall nominate one*
22 *(1) person from each of the six (6) congressional districts of the Commonwealth,*
23 *as well as three (3) persons from the state at large, who meet the qualifications set*
24 *out in subsection (6) of this section, as candidates for appointment as members of*
25 *the board:*

26 *(a) The Kentucky Association of Counties;*

27 *(b) The Kentucky League of Cities; and*

- 1 (c) The Kentucky Chamber of Commerce.
- 2 (4) (a) The Governor shall select the original citizen members from the
3 aggregation of the lists provided pursuant to subsection (3) of this section,
4 with at least two (2) appointments being chosen from each organization's
5 list.
- 6 (b) Appointments to fill a vacancy shall be made from nominations tendered by
7 the organizations enumerated in subsection (3) of this section. Each
8 organization shall make one (1) nomination for each respective vacancy.
9 The nominees shall satisfy the geographic requirement of the particular
10 vacant position on the board.
- 11 (c) After initial appointments to the board expire, at least one (1) member of the
12 board shall be a nominee of each of the three (3) nominating entities
13 outlined under subsection (3) of this section.
- 14 (d) No more than five (5) of the nine (9) citizen members shall be of the same
15 political party.
- 16 (e) All appointments to the Kentucky Transportation Board shall be subject to
17 confirmation by the Senate in accordance with KRS 11.160.
- 18 (5) Except for initial appointments, all appointments shall be for a term of four (4)
19 years. A voting member may be appointed for up to two (2) full consecutive terms.
- 20 (6) In making appointments to the board, the Governor shall appoint citizen
21 members who have at least five (5) years' experience in the areas of
22 transportation, construction, finance, law, environmental issues, management, or
23 engineering. Members appointed to the board shall not have any interest in any
24 contract awarded by the Transportation Cabinet during their service, and for up
25 to two (2) years after their service ends.
- 26 (7) Vacancies on the board which may occur from time to time shall be filled as
27 follows:

1 (a) Any vacancy which occurs shall be filled for the unexpired term in
2 accordance with the procedures established in subsections (3) and (4) of this
3 section.

4 (b) If any voting member misses more than two (2) consecutive meetings of the
5 board without showing good cause, then that position shall be declared
6 vacant by the board and filled in accordance with this section.

7 (c) If a member who has been appointed to represent a congressional district
8 changes residence to outside of that district, then that position shall be
9 declared vacant and filled in accordance with this section.

10 (8) The board shall elect a chair and a vice chair from its members.

11 (9) The board shall meet quarterly and at other times upon call of the chair or a
12 majority of the board.

13 (10) A quorum shall be a majority of the voting membership of the board.

14 (11) A quorum shall be required to organize and conduct all business of the board,
15 except that an affirmative vote of:

16 (a) Five (5) or more members of the board shall be required to approve the
17 recommended biennial highway construction plan and the recommended
18 six (6) year road plan; and

19 (b) Six (6) or more members of the board shall be required to terminate the
20 employment of the cabinet's secretary.

21 (12) Voting members shall serve without compensation but shall be reimbursed for all
22 reasonable, necessary, and actual expenses.

23 (13) The Kentucky Transportation Board shall be attached to the Transportation
24 Cabinet's Office of the Secretary for administrative purposes.

25 (14) Notwithstanding KRS 12.028, the Kentucky Transportation Board shall not be
26 subject to reorganization by the Governor.

27 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO

1 READ AS FOLLOWS:

2 **The Kentucky Transportation Board shall have the following powers and duties:**

3 **(1) Recommending to the Governor candidates for Transportation Cabinet secretary,**
 4 **in accordance with Section 3 of this Act;**

5 **(2) Terminating the employment of the Transportation Cabinet secretary;**

6 **(3) Developing and implementing an objective scoring system to rank potential**
 7 **projects for inclusion in the recommended six (6) year road plan and the**
 8 **proposed biennial highway construction plan, in accordance with Section 4 of**
 9 **this Act; and**

10 **(4) Developing and approving for submission to the General Assembly a**
 11 **recommended six (6) year road plan, including a biennial highway construction**
 12 **plan, in accordance with Section 6 of this Act.**

13 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO
 14 READ AS FOLLOWS:

15 **(1) In the selection and appointment of the Transportation Cabinet secretary, the**
 16 **board shall set the qualifications for the position of the secretary, conduct a**
 17 **search for candidates, and select three (3) candidates.**

18 **(2) The names of the three (3) candidates shall be submitted to the Governor who**
 19 **shall choose one (1) of them as secretary, except that, if the Governor so chooses,**
 20 **he or she may reject the first list of names and direct the board to submit a list of**
 21 **three (3) additional names, from which he or she shall appoint the secretary.**

22 **(3) The Transportation Cabinet secretary shall be subject to confirmation by the**
 23 **Senate in accordance with KRS 11.160.**

24 **(4) Once appointed, the secretary shall serve at the pleasure of the board. The board**
 25 **may terminate the employment of the secretary by a vote of six (6) or more**
 26 **members.**

27 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO

1 READ AS FOLLOWS:

2 (1) The General Assembly declares it to be in the public interest that a prioritization
3 process for certain projects paid for out of the road fund be developed and
4 implemented to improve the efficiency and effectiveness of the state's
5 transportation system, transportation safety, transportation accessibility for
6 people and freight, environmental quality, and economic development in the
7 Commonwealth.

8 (2) Subject to the limitations in subsection (3) of this section, the Kentucky
9 Transportation Board shall develop, in accordance with federal transportation
10 requirements, and in cooperation with metropolitan planning organizations in
11 the Commonwealth, a statewide prioritization process for the use of funds
12 apportioned pursuant to 23 U.S.C. sec. 104. This prioritization process shall be
13 used for the development of the recommended biennial highway construction
14 plan and the recommended six (6) year highway plan pursuant to Section 6 of
15 this Act.

16 (a) The prioritization process shall be based on an objective and quantifiable
17 analysis that considers, at a minimum, the following factors relative to the
18 cost of the project or strategy:

- 19 1. Congestion mitigation;
20 2. Economic development;
21 3. Accessibility;
22 4. Safety; and
23 5. Asset management.

24 (b) The Kentucky Transportation Board shall weight the factors used in
25 paragraph (a) of this subsection for each of the Transportation Cabinet's
26 highway districts. Within each highway district, the board may assign
27 different weights to the factors, based on the unique needs and qualities of

1 each highway district.

2 (c) The Kentucky Transportation Board shall solicit input from localities,
3 metropolitan planning organizations, transit authorities, transportation
4 authorities, and other stakeholders in its development of the prioritization
5 process pursuant to this section. Further, the board shall explicitly consider
6 input provided by an applicable metropolitan planning organization when
7 developing the weighting of factors pursuant to paragraph (b) of this
8 subsection for a metropolitan planning area with a population over two
9 hundred thousand (200,000) individuals.

10 (3) The prioritization process developed under subsection (2) of this section shall not
11 apply to the following:

12 (a) Projects not included in the recommended biennial highway construction
13 plan and the recommended six (6) year road plan that are paid for with
14 bridge and pavement maintenance funds;

15 (b) Projects funded by the congestion mitigation air quality funds apportioned
16 to the state pursuant to 23 U.S.C. sec. 104(b)(4) and state matching funds;

17 (c) Projects funded by metropolitan planning program funds apportioned to the
18 state pursuant to 23 U.S.C. sec. 104(b)(6) and state matching funds;

19 (d) Projects funded by the highway safety improvement program funds
20 apportioned to the state pursuant to 23 U.S.C. sec. 104(b)(3) and state
21 matching funds;

22 (e) Projects funded by the rural secondary road program under KRS 177.020;
23 and

24 (f) Projects funded by federal programs established by the federal government
25 after June 30, 2014, with specific rules that restrict the types of projects that
26 may be funded, excluding restrictions on the location of projects with
27 regard to highway functional classification.

1 (4) The Kentucky Transportation Board shall make public a schedule explaining
2 various phases of the project identification, evaluation and selection process,
3 including dates identifying the conclusion of each phase.

4 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO
5 READ AS FOLLOWS:

6 (1) The Kentucky Transportation Board shall develop the recommended biennial
7 highway construction plan and the recommended six (6) year road plan for
8 submission to the General Assembly in a transparent manner that provides to the
9 public, elected officials, and other stakeholders the opportunity to engage and
10 comment in a meaningful manner prior to the adoption of the plan.

11 (2) No later than thirty (30) days prior to a vote to include a project, scored under the
12 prioritization process outlined in Section 4 of this Act, in the recommended
13 biennial highway construction plan or the recommended six (6) year road plan,
14 the board shall make public, in an accessible format:

15 (a) A recommended list of projects for inclusion based on the results of the
16 evaluation;

17 (b) The results of the screening of candidate projects and strategies, including
18 the analysis behind the results;

19 (c) The results of the evaluation of all candidate projects and strategies,
20 including the project scores, weighting of factors, and the criteria used to
21 determine the value of each factor; and

22 (d) A document outlining the analysis and scoring metrics used in determining
23 project scores.

24 (3) No later than thirty (30) days prior to the vote to include a pavement or bridge
25 improvement project in the recommended biennial highway construction plan or
26 the recommended six (6) year road plan, the Transportation Cabinet shall make
27 public, in an accessible format, a list of projects eligible for these funds that the

1 *cabinet recommends for inclusion. These projects shall be drawn from the listing*
 2 *of prioritized pavement and bridge needs published by the cabinet pursuant to*
 3 *Section 8 of this Act.*

4 *(4) The board may modify the recommended list of projects in subsections (2) or (3)*
 5 *of this section through formal action.*

6 ➔Section 6. KRS 176.430 is amended to read as follows:

7 (1) The *Kentucky Transportation Board, with the assistance of the* Transportation
 8 Cabinet, shall undertake a continuing study of the needs of the highways under its
 9 jurisdiction for the purpose of bringing existing facilities to acceptable standards or
 10 for the replacement of existing facilities when required.

11 (2) The *Kentucky* Transportation *Board*~~[Cabinet]~~ shall develop a recommended six (6)
 12 year road plan that identifies the individual transportation projects or portions
 13 thereof that are scheduled to be constructed in each county. The recommended six
 14 (6) year road plan shall include a recommended biennial highway construction plan.
 15 The recommended six (6) year road plan and recommended biennial highway
 16 construction plan shall be submitted to the General Assembly as required by KRS
 17 48.110(6)(f). The six (6) year road plan shall include but shall not be limited to the
 18 following information for each project:

- 19 (a) The county name;
- 20 (b) The Kentucky Transportation Cabinet project identification number;
- 21 (c) The route where the project is located;
- 22 (d) The length of the project;
- 23 (e) A description of the project and the scope of improvement;
- 24 (f) The type of local, state, or federal funds to be used on the project;
- 25 (g) The stage of development for the design, right-of-way, utility, and
 26 construction phase;
- 27 (h) The fiscal year in which each phase of the project should commence;

- 1 (i) The estimated cost for each phase of the project; and
- 2 (j) The estimated cost to complete the project.
- 3 (3) The Transportation Cabinet shall identify projects in the six (6) year road plan that
- 4 may, in accordance with this section, be advanced from later years, to maximize the
- 5 use of all funds available to the cabinet, and to plan for the historical precedent of
- 6 projects being delayed due to unforeseen circumstances. As required by KRS
- 7 48.110, the Governor shall submit to the General Assembly, as part of the proposed
- 8 biennial highway construction plan, a list of projects from the last four (4) years of
- 9 the six (6) year road plan, not to exceed ten percent (10%) of the recommended
- 10 biennial highway construction appropriation, which can be advanced if additional
- 11 money is received and all projects included in the enacted biennial highway
- 12 construction plan have been advanced or completed to the extent possible.
- 13 (4) In developing the design, right-of-way, utility, and construction phase of each
- 14 project, the following factors shall be considered but are not exclusive:
- 15 (a) Alignment of existing roads;
- 16 (b) The width or elevation of existing roadways and shoulder surfaces;
- 17 (c) The width of rights-of-way;
- 18 (d) The cost of each phase of the project plus a separate identification of the
- 19 cabinet's administrative costs for each phase;
- 20 (e) The type and volume of traffic;
- 21 (f) The condition of structures and drainage;
- 22 (g) The accident rate;
- 23 (h) The geographic distribution of roadways to be constructed or reconstructed;
- 24 and
- 25 (i) The social, economic, and environmental impact of the proposed project.
- 26 (5) The Transportation Cabinet shall, on a monthly basis, transmit electronically to the
- 27 General Assembly through the Legislative Research Commission a report on all

1 activity relating to all projects with open activity conducted by the Transportation
2 Cabinet during the biennium. The data for each project shall contain all cabinet
3 activity on projects funded through the road fund, including resurfacing and rural
4 and secondary projects, and shall also include but not be limited to the following:

5 (a) District number and project item number, which shall remain in effect
6 throughout the entire life of the project, subject to the following conditions:

7 1. A project split into more than one (1) project during its life shall
8 maintain the same item number with a suffix;

9 2. Two (2) or more projects merged shall be identified by the new merged
10 project maintaining the project item number of one (1) of the projects
11 being merged. The total cost of the merged project shall be set forth; and

12 3. A project that has been merged with another project and all funds
13 authorized for the initial project that is subsequently shifted to the new
14 merged project shall remain in the six (6) year road plan and shall be
15 identified with a cross reference to the superseded project and
16 superseded project item number;

17 (b) The county name and county number;

18 (c) The route prefix, route number, and route suffix;

19 (d) Termini description including beginning milepoint and ending milepoint;

20 (e) Type of work;

21 (f) Length of the project in miles;

22 (g) Project authorization system number, date the project was authorized, the TD-
23 10 number authorizing the project, and the amount authorized;

24 (h) Year the project was enacted in a six (6) year road plan, and the notation "A"
25 if the project is active and the notation "I" if the project is inactive;

26 (i) The phase code "P" for the planning phase, "D" for the design phase, "R" for
27 the right-of-way phase, "U" for the utility phase, and "C" for the construction

- 1 phase;
- 2 (j) The original estimate, fund code, and fiscal year each phase is expected to
- 3 begin as enacted in the six (6) year road plan;
- 4 (k) The current estimate, fund code, and fiscal year each phase is expected to
- 5 begin;
- 6 (l) The status of funding for each phase;
- 7 (m) The date current information has been changed for each phase;
- 8 (n) The letting date for each phase;
- 9 (o) Total number of right-of-way parcels, deeds signed, suits filed, and right-of-
- 10 way entries completed;
- 11 (p) The date right-of-way plans are to be submitted to the central office in
- 12 Frankfort and the status of right-of-way plans;
- 13 (q) Total utility relocations to be completed and the actual number completed;
- 14 (r) The award date, the construction project code number, and the award amount
- 15 for the construction phase;
- 16 (s) The total number of contract change orders issued for each phase, the date of
- 17 the most recent change order, and the net change order amount for each phase;
- 18 (t) The name of the contractor, the contractor's vendor number in the Statewide
- 19 accounting system, current contract amount, and the current amount earned by
- 20 the contractor;
- 21 (u) The estimated date for completion of the project, current percentage of work
- 22 completed based upon time, and the actual contract completion date;
- 23 (v) The department's engineer's estimate for the project; and
- 24 (w) Total expenditures by phase.
- 25 (6) **The department shall transmit notification to the General Assembly through the**
- 26 **Legislative Research Commission of a project in the enacted biennial highway**
- 27 **construction plan which the department will not undertake a phase in the year**

1 scheduled in the plan. Information transmitted under this subsection shall
 2 include all the information enumerated in subsection (5) of this section, along
 3 with a statement from the department as to an estimated timeline for beginning
 4 the project or the reason the project will not be undertaken. Notification under
 5 this section shall occur:

6 (a) For projects that will not be undertaken, within three (3) days of the
 7 determination not to undertake the project; and

8 (b) For projects that will be delayed, no later than June 1 of each year.

9 (7) The department shall transmit on a monthly basis, electronic data to the General
 10 Assembly through the Legislative Research Commission on the activity on all state
 11 resurfacing projects and all rural secondary projects that shall include as much
 12 applicable information as possible as identified in subsection (5) of this section.

13 ~~(8)~~~~(7)~~ In implementing the enacted biennial highway construction plan, the
 14 Transportation Cabinet may expend funds necessary to complete the projects
 15 authorized, amended only by variations necessitated by bid or unforeseen
 16 circumstances.

17 ~~(9)~~~~(8)~~ The department shall pursue digitizing all Kentucky roads on a geographic
 18 information system as funds are made available by the General Assembly. The
 19 digitized maps shall merge map layers and text layers to produce maps that display
 20 geographic information and textual information detailing the six (6) year road plan
 21 as enacted by the General Assembly.

22 ➔Section 7. KRS 48.110 is amended to read as follows:

23 Each branch budget recommendation shall contain a complete financial plan for the
 24 branch of government for each of the next two (2) fiscal years. Each branch budget
 25 recommendation shall include:

26 (1) A budget message signed by:

27 (a) The Governor for the executive branch;

- 1 (b) The Chief Justice for the judicial branch; and
- 2 (c) The co-chairmen of the Legislative Research Commission for the legislative
- 3 branch;
- 4 (2) (a) Statements of income and receipts for the two (2) fiscal years last concluded,
- 5 and the estimated income and receipts, for each budget unit of the branch of
- 6 government for the current fiscal year and each of the next two (2) fiscal
- 7 years.
- 8 (b) The statements of income and estimated income shall be itemized by budget
- 9 unit and fund, and shall show separately receipts from:
- 10 1. Current income;
- 11 2. Refunds and reimbursements of expenditures;
- 12 3. The sale of assets; and
- 13 4. Receipts on account of the income of prior years.
- 14 (c) Existing sources of income and receipts shall be analyzed as to their equity,
- 15 productivity and need for revision, and any proposed new sources of income
- 16 or receipts shall be explained;
- 17 (3) A statement of the surplus in any account and in any special fund of the branch of
- 18 government. If a surplus exists in any account of the branch of government the
- 19 statement shall show the excess of all current assets over all current liabilities as of
- 20 the beginning of each of the two (2) fiscal years last concluded, and all changes in
- 21 these accounts during each of such two (2) fiscal years;
- 22 (4) A statement as of the close of the last completed fiscal year and as of the close of
- 23 the current fiscal year showing, for each budget unit the total funded debt, the value
- 24 of sinking fund assets, the net funded debt, the floating liabilities as of the end of
- 25 the current fiscal year, and the total debt as of the close of the last completed fiscal
- 26 year and as of the close of the current fiscal year;
- 27 (5) Summary and detailed comparative statements of expenditures itemized by budget

1 unit for each of the two (2) fiscal years last concluded and requests for
2 appropriations by funds or accounts, the budget of the current year, and the
3 recommendations for appropriations for each of the next two (2) fiscal years.
4 Following the lists of actual and proposed expenditures of each budget unit there
5 shall be a detailed explanation of the actual and proposed expenditures, to include
6 activities, beneficiaries and expected results of the programs or services of the
7 budget units;

8 (6) A draft of the proposed branch budget bill containing:

9 (a) Recommendations of the branch of government for appropriations for the next
10 two (2) fiscal years, and drafts of such revenue and other acts as may be
11 recommended for implementing the proposed financial plan;

12 (b) Recommended appropriations for extraordinary expenses and capital outlays,
13 which shall be itemized in the proposed branch budget bill for the branch by
14 budget unit. The title of each budget unit shall be worded to limit each
15 appropriation to the specific use or purpose intended;

16 (c) A plan for the reduction of the branch budget if there is a revenue shortfall of
17 five percent (5%) or less in the general fund or road fund. In recommending
18 budget reductions, the Governor, the Chief Justice, and the Legislative
19 Research Commission shall not recommend universal percentage reductions,
20 but shall weigh the needs of all budget units and shall strive to protect the
21 highest possible level of service in their respective branches. Services which
22 are not essential to constitutional functions shall be subject to reduction.
23 Transfer of funds may be authorized by the budget reduction plan;

24 (d) 1. A plan for the expenditure of a general fund or road fund surplus of up
25 to two and one-half percent (2.5%).

26 2. The plan shall include provisions for the expenditure of a surplus, and
27 may provide for additional moneys for nonrecurring expenditures for

- 1 which an appropriation was not made in a branch budget bill, or for a
2 program or service authorized by law for which an appropriation was not
3 made, or which was not fully funded.
- 4 3. In lieu of recommending the appropriation of funds, the plan may
5 instead recommend the retention of surplus funds in the surplus account
6 of the general fund or road fund for investment until appropriated by the
7 General Assembly;
- 8 (e) 1. A recommended state capital projects program and a recommended
9 program for the purchase of major items of equipment.
- 10 2. The recommended capital construction program shall include:
- 11 a. A complete list and summary description of each specific capital
12 construction project recommended for funding during the
13 biennium; and
- 14 b. For each project:
- 15 i. The agency and purpose for which it will be used;
- 16 ii. The justification for the project;
- 17 iii. Its estimated completion date;
- 18 iv. The total estimated cost of completing the project;
- 19 v. The estimated cost of the project during the biennium;
- 20 vi. The recommended sources of funds for the entire project;
- 21 and
- 22 vii. The dollar amounts recommended for appropriation and the
23 dollar amounts, listed by source, that are anticipated
24 from every other source of funds for the biennium.
- 25 3. All information required by subparagraph 2. of this paragraph shall be
26 included in each branch budget recommendation. Each branch budget
27 bill shall contain only a complete list of the specific capital construction

1 projects recommended for funding during the biennium and, for each
2 project, the information specified in subparagraph 2.b.v., vi., and vii. of
3 this paragraph.

4 4. A report which details the effect of recommended new debt on the debt
5 position of the Commonwealth shall be submitted at the same time the
6 recommended capital program is submitted. Information shall be
7 presented separately, and in total, for the general fund, road fund, and
8 any affected restricted fund account.

9 5. Information in the report shall include but not be limited to the
10 following:

11 a. Debt service on existing appropriation-supported debt, as a
12 percentage of anticipated total revenues;

13 b. Debt service on existing appropriation-supported debt, as a
14 percentage of anticipated available revenues;

15 c. The sum of debt service on existing appropriation-supported debt
16 and debt service on recommended new appropriation-supported
17 debt, as a percentage of anticipated total revenues;

18 d. The sum of debt service on existing appropriation-supported debt
19 and debt service on recommended new appropriation-supported
20 debt, as a percentage of anticipated available revenues;

21 e. The sum of debt service on existing appropriation-supported debt
22 and debt service on recommended new appropriation-supported
23 debt, as a percentage of estimated state total personal income; and

24 f. The sum of existing appropriation-supported debt and
25 recommended new appropriation-supported debt, as a percentage
26 of estimated state total personal income.

27 6. The recommended program for the purchase of major items of

1 equipment submitted by the head of each branch of government shall
2 include:

3 a. A complete list and summary description of each specific major
4 item of equipment recommended for purchase during the
5 biennium; and

6 b. For each major item of equipment:

7 i. The agency and purpose for which it will be used;

8 ii. The justification for the purchase;

9 iii. The estimated cost of the item, including ancillary expenses
10 and any expenses necessary to make the equipment
11 functional and operational;

12 iv. The recommended sources of funds; and

13 v. The dollar amounts recommended for appropriation and
14 anticipated from every other source of funds for the
15 purchase.

16 7. All information required by subparagraph 5. of this paragraph shall be
17 included in the executive branch budget recommendation. The branch
18 budget bill for the executive branch shall contain only a complete list of
19 each specific item of major equipment recommended for purchase
20 during the biennium and, for each item, the information specified in
21 subparagraph 6.b.iii., iv., and v. of this paragraph;

22 (f) The branch budget recommendation for the Transportation Cabinet shall
23 include the following information:

24 1. A separate branch budget bill;

25 2. A recommended biennial highway construction plan, which shall be
26 approved by the Kentucky Transportation Board established under
27 Section 1 of this Act, presented as a separate bill, and ~~which shall~~

- 1 include a list of individual transportation projects included in the last
2 four (4) years of the six (6) year road plan, not to exceed ten percent
3 (10%) of the recommended biennial highway construction appropriation,
4 which can be advanced if:
- 5 a. Additional funds are received; and
 - 6 b. All projects included in the biennial highway construction plan
7 have been advanced or completed to the extent possible; and
- 8 3. The six (6) year road plan, *which shall be approved by the Kentucky*
9 *Transportation Board established under Section 1 of this Act.* The
10 Governor shall have ten (10) working days after submission of the
11 branch budget recommendation and the recommended biennial highway
12 construction plan to submit the six (6) year road plan. The six (6) year
13 road plan shall be submitted in a form and format cooperatively
14 developed by the Transportation Cabinet, *the Kentucky Transportation*
15 *Board,* and the General Assembly and approved by the Legislative
16 Research Commission; and
- 17 (g) 1. In the executive branch budget recommendation, as a separate section,
18 an amount sufficient to meet unexpected contingencies or emergencies,
19 including but not limited to natural or man-made disasters, civil
20 disorders, court orders requiring or resulting in the expenditure of state
21 funds, or other related causes.
- 22 2. The amount shall be based on the nature, type, and frequency of named
23 categories of events which may, from past experience, be reasonably
24 anticipated.
 - 25 3. This portion of the budget recommendation shall detail similar incidents
26 and the nature and amount of the expenditures for each during the ten
27 (10) years immediately preceding.

1 The total amount of appropriations recommended from any fund shall not exceed
2 the cash resources estimated to be available and to become available to meet
3 expenditures under the appropriations;

4 (7) A certificate of the branch of government as to the accuracy of the statements of
5 financial condition, of income and receipts, and of expenditures; and

6 (8) Such other information as is deemed desirable, or is required by law or regulation.

7 ➔Section 8. KRS 176.050 is amended to read as follows:

8 (1) The department shall:

9 (a) Investigate all problems relating to the construction and maintenance of roads
10 in the state;

11 (b) Examine all projects and ascertain the feasibility of all routes;

12 (c) Obtain information as to the proper type of road for any project;

13 (d) Examine all types of road materials which may be used in the construction or
14 maintenance of any road to be constructed by the department or under its
15 direction or supervision;

16 (e) Require the design plans for all road projects constructing a new route to
17 identify, if at all feasible, one (1) or more publicly owned sites at least four (4)
18 acres in size, along the proposed new route that will be used as waste sites
19 during the construction phase of the project but that have the potential for a
20 city, county, or other governmental entity to turn the site into an industrial
21 park upon completion of the road project, regardless of whether the site
22 currently has the infrastructure necessary to support an industrial park;

23 (f) Consult with all legislative bodies affected by a new road construction project
24 during the design phase for the purpose of soliciting local government
25 officials' preferences for the location of waste sites that could be turned into
26 an industrial park;

27 (g) From time to time, examine and have examined and audited all of its books,

1 papers and records;

2 (h) Cause to be made all necessary surveys in the establishment and construction
3 of the system of public highways; all necessary maps, prints, plans and
4 specifications of all work to be done on the roads; estimates of costs;
5 advertisement for bids; contracts for construction or maintenance; and all
6 necessary forms in connection therewith;~~and~~

7 (i) **On or before September 1, 2020, and annually thereafter, publish a list of**
8 **prioritized bridge and pavement improvement needs, based on safety and**
9 **state of disrepair. This list shall be published on the Transportation**
10 **Cabinet's Web site and transmitted electronically to the General Assembly**
11 **through the Legislative Research Commission; and**

12 (j) Promulgate administrative regulations under KRS Chapter 13A for the care
13 and maintenance of roads after they have been constructed.

14 (2) The department may publish bulletins containing useful information concerning the
15 construction and maintenance of roads.

16 (3) An invoice or bill to be paid out of the road or bridge funds shall not be approved
17 by the department for payment until it has been carefully examined by the
18 department to ascertain if the bill or invoice is in every respect a proper and
19 legitimate charge against the road or bridge funds. The commissioner may call
20 before him any person who may have information respecting any bill or invoice.

21 ➔Section 9. KRS 45.247 is amended to read as follows:

22 **(1)** There is created within the road fund the highway construction contingency
23 account. The account shall consist of moneys appropriated to the account by the
24 General Assembly. The Transportation Cabinet may transfer money from the
25 highway construction contingency account to a highway construction project, for
26 expenditure thereon. These moneys may be authorized by the secretary of the
27 Transportation Cabinet for:

- 1 ~~(a)~~~~(1)~~ Projects of an emergency nature;
- 2 ~~(b)~~~~(2)~~ Promotion of economic or industrial development;
- 3 ~~(c)~~~~(3)~~ Relief of a hazardous condition;
- 4 ~~(d)~~~~(4)~~ Other purposes that the secretary determines to be a priority;
- 5 ~~(e)~~~~(5)~~ Provision of required state match for any unanticipated federal funds
- 6 made available by the Federal Highway Administration to the Commonwealth
- 7 as a result of other states not utilizing their total federal obligation;
- 8 ~~(f)~~~~(6)~~ The funding of any nonfederal share of a project in a previous or the
- 9 current biennial highway construction programs that exceeds its cost estimate;
- 10 ~~(g)~~~~(7)~~ The nonfederal share of federal emergency highway projects, federal
- 11 discretionary projects, and federal demonstration projects; and
- 12 ~~(h)~~~~(8)~~ The nonfederal share of projects due to an increase in the federal
- 13 apportionment or federal obligation limits.

14 **(2) At the conclusion of each fiscal year, any moneys in the highway construction**

15 **contingency account in excess of ten percent (10%) of the amount appropriated**

16 **for that fiscal year shall lapse to the state construction account.**

17 ➔Section 10. KRS 174.020 is amended to read as follows:

- 18 (1) The Transportation Cabinet shall consist of the following major organizational
- 19 units:
- 20 (a) The Office of the Secretary, which shall include, but not be limited to:
- 21 1. The secretary to be appointed by the Governor under KRS 12.255; and
- 22 2. The deputy secretary appointed under KRS 12.040.
- 23 **The Kentucky Transportation Board established in Section 1 of this Act**
- 24 **shall be attached to the Office of the Secretary for administrative purposes;**
- 25 (b) The Department of Highways, headed by a commissioner, appointed by the
- 26 Governor under KRS 12.040;
- 27 (c) The Department of Vehicle Regulation, headed by a commissioner, appointed

- 1 by the Governor under KRS 12.040. The Motor Vehicle Commission
2 established in KRS 190.058 shall be attached to the Department of Vehicle
3 Regulation for administrative purposes;
- 4 (d) The Department of Rural and Municipal Aid, headed by a commissioner
5 appointed by the Governor under KRS 12.040;
- 6 (e) The Department of Aviation, headed by a commissioner appointed by the
7 Governor under KRS 12.040. The Kentucky Airport Zoning Commission
8 established by KRS 183.861 shall be attached to the Department of Aviation
9 for administrative purposes;
- 10 (f) The Office of Support Services, headed by an executive director appointed
11 under KRS 12.040;
- 12 (g) The Office of Transportation Delivery, headed by an executive director
13 appointed under KRS 12.040;
- 14 (h) The Office of Audits, headed by an executive director appointed under KRS
15 12.040;
- 16 (i) The Office of Human Resource Management, headed by an executive director
17 appointed under KRS 12.040;
- 18 (j) The Office of Information Technology, headed by an executive director
19 appointed under KRS 12.040;
- 20 (k) The Office of Legal Services, headed by an executive director appointed under
21 KRS 12.040;
- 22 (l) The following offices, which shall be attached to the Office of the Secretary:
- 23 1. The Office of Public Affairs, headed by an executive director appointed
24 under KRS 12.040;
- 25 2. The Office of Budget and Fiscal Management, headed by an executive
26 director appointed under KRS 12.040;
- 27 3. The Office for Civil Rights and Small Business Development, headed by

1 an executive director appointed under KRS 12.040; and

2 4. The Office of Inspector General, headed by an executive director
3 appointed under KRS 12.040;

4 (m) The following offices, which shall be attached to the Department of
5 Highways:

6 1. The Office of Project Development, headed by an executive director
7 appointed under KRS 12.040, who shall be a registered professional
8 engineer under KRS Chapter 322, and who shall be known as the deputy
9 state highway engineer for project development;

10 2. The Office of Project Delivery and Preservation, headed by an executive
11 director appointed under KRS 12.040, who shall be a registered
12 professional engineer under KRS Chapter 322, and who shall be known
13 as the deputy state highway engineer for project delivery and
14 preservation;

15 3. The Office of Highway Safety, headed by an executive director
16 appointed under KRS 12.040; and

17 4. Highway District Offices One through Twelve, each district office to be
18 headed by an executive director, also known as the chief district
19 engineer, appointed under KRS 12.040, who shall be a registered
20 professional engineer under KRS Chapter 322; and

21 (n) The following offices, which shall be attached to the Department of Rural and
22 Municipal Aid:

23 1. Office of Local Programs, headed by an executive director appointed
24 under KRS 12.040; and

25 2. Office of Rural and Secondary Roads, headed by an executive director
26 appointed under KRS 12.040.

27 (2) The position of director in the Division of Environmental Analysis is a policy-

1 making position under KRS 18A.175.

2 ➔Section 11. Initial appointments to the Kentucky Transportation Board shall
3 serve staggered terms as follows:

4 (1) The members representing the First and Second Congressional Districts shall
5 serve terms that expire August 1, 2021;

6 (2) The members representing the Third Congressional District and one of the
7 members representing the state at large shall serve terms that expire August 1, 2022;

8 (3) The members representing the Fourth Congressional District and one of the
9 members representing the state at large shall serve terms that expire August 1, 2023;

10 (4) The members representing the Fifth and Sixth Congressional Districts and one
11 of the members representing the state at large shall serve terms that expire August 1,
12 2024.

13 Thereafter, members shall be appointed to four-year terms in accordance with
14 Section 1 of this Act.