Local Government Mandate Statement Kentucky Legislative Research Commission 2024 Regular Session

Part I: Measure Information

Bill Request #: 1009							
Bill #: HB 246							
Document ID #: 3072							
Bill Title: AN ACT relating to the naming of roads and bridges.							
Sponsor: Representative Steven Doan							
Unit of Government:	City X County X Urban-County Unified Local						
<u></u>	Charter County X Consolidated Local X Government						
Office(s) Impacted: All local governments.							
Requirement: M	andatory X Optional						
Effect on Powers & Duties:	Modifies Existing X Adds New Eliminates Existing						

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 246 establishes procedures for the Transportation Cabinet and local governments to enter into a lease agreement with private entities for the naming rights of roads or bridges and for the installation of signage. The bill allows the Transportation Cabinet or a local government to conduct a written bidding process to lease to a private entity, the naming rights of a bridge, highway segment, county road or urban road segment, or street segment under its jurisdiction, if the roadway of bridge has an annual average daily volume of more than 15,000 vehicles. The winning bidder will bear the costs of manufacturing and installation of the signage.

Funds collected under HB 246 will be distributed as follows:

a) If the naming rights are for a road in the state primary road system: 50% of the funds will be deposited into the state road fund and the remaining 50% will be split equally between the county and any cities the road passes through;

- b) If the naming rights are for a county road, the money is deposited in the county road fund; and
- c) If the naming rights are for a city street, the money will be used to maintain streets under the city's control.

The fiscal impact of HB 246 is currently indeterminable. Due to the minimum threshold for annual average daily volume of 15,000 vehicles, HB 246 won't provide revenue opportunities for every local government in the Commonwealth.

The Transportation Cabinet has been solicited to provide an estimate of projected revenue from HB 246 and information on the number of roadways, road segments, and bridges in the Commonwealth that meet the average daily vehicle volume requirements of HB 246. If this information is received, then this local government impact statement may be updated.

Data Source	ee(s): <u>LRC Staff</u>				
Preparer:	Brandon White (JB)	Reviewer:	KHC	Date:	1/30/24