

1 AN ACT relating to transportation, making an appropriation therefor, and declaring
2 an emergency.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 176 IS CREATED TO
5 READ AS FOLLOWS:

6 *As used in this Sections 1 to 5 of this Act:*

7 *(1) "County population ranking" has the same meaning as in KRS 154.21-015;*

8 *(2) "County roads" has the same meaning as in KRS 178.010;*

9 *(3) "Local Assistance Road Program" or "LARP" means a list of rehabilitation*
10 *projects on county roads, streets, and urban roads identified by the General*
11 *Assembly for funding grants; and*

12 *(4) "Streets" and "urban roads" have the same meaning as in KRS 177.365.*

13 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 176 IS CREATED TO
14 READ AS FOLLOWS:

15 *(1) (a) The cabinet shall establish procedures by which a city or county may make*
16 *application for portions of county roads, streets, and urban roads in its*
17 *jurisdiction to be considered for grants from the LARP.*

18 *(b) A city or county may submit to the cabinet for consideration for the LARP*
19 *only those rehabilitation projects that bring the road or street back to its*
20 *original condition and shall not submit projects that increase capacity or*
21 *involve other improvements over the original design of the road.*

22 *(c) The maximum amount of funding that a city or county may receive for any*
23 *individual project under a LARP grant is five hundred thousand dollars*
24 *(\$500,000).*

25 *(d) Beginning on June 1 of each year, a city or county may submit projects for*
26 *consideration for LARP grants to the cabinet in advance of each regular*
27 *session of the General Assembly. In order to be considered for funding*

1 during a regular session of the General Assembly, the submission shall be
2 made by October 1 of the preceding year. A project submitted in a previous
3 year that was not selected shall be resubmitted under a new application in
4 order to be considered in a future year.

5 (2) For each project application submitted under subsection (1) of this section, the
6 cabinet shall:

7 (a) Review the project to ensure it meets the requirements of subsection (1)(b)
8 of this section; and

9 (b) Evaluate the project in accordance with Section 3 of this Act within thirty
10 (30) days of the submission of the application.

11 (3) Beginning on July 1 of each year, the cabinet shall submit to the General
12 Assembly through the Legislative Research Commission a list of all project
13 requests submitted under subsection (1) of this section that have been evaluated
14 by the cabinet in the previous month. The list shall be divided into two (2)
15 sections, one (1) section listing projects involving county roads, and one (1)
16 section listing projects involving streets and urban roads. The list shall, at a
17 minimum, include the following information for each project:

18 (a) The name of the city or county responsible for maintaining the road or
19 street;

20 (b) A unique project identification number;

21 (c) The route and highway district where the project is located;

22 (d) The length of the project to the nearest one-tenth (1/10) of a mile;

23 (e) A description of the project and the scope of rehabilitation;

24 (f) The score assigned by the highway district for the project;

25 (g) A narrative description of the reasoning for the numerical score assigned
26 under paragraph (f) of this subsection;

27 (h) Photographs of the project area showing the scope of work, with at least one

1 (1) photograph of every three hundred (300) feet of roadway; and

2 (i) The estimated cost to complete the project.

3 (4) No later than November 1 of each year, the cabinet shall submit to the General
4 Assembly through the Legislative Research Commission a list of all project
5 requests submitted under subsection (1) of this section for the year, containing
6 the same information listed in subsection (3) of this section.

7 (5) The General Assembly shall make the final determination of which projects are
8 to be awarded grants under the LARP.

9 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 176 IS CREATED TO
10 READ AS FOLLOWS:

11 (1) To evaluate projects submitted for grants under the LARP, the cabinet shall
12 develop a scoring system for the project which assigns a score using a one (1) to
13 ten (10) scale, with higher numbers assigned to projects exhibiting the greatest
14 need.

15 (2) Each highway district shall use the scoring system developed under this section to
16 evaluate all projects within the highway district, and shall submit a score to the
17 cabinet.

18 (3) The scoring system developed under this section shall include an evaluation of
19 the following factors:

20 (a) Preservation of assets, which shall include an evaluation of the current
21 physical condition of the road, including wear and tear, cracking, missing
22 pavement and potholes, roadway and shoulder degradation, and rutting;

23 (b) Safety;

24 (c) Cost;

25 (d) Traffic volume; and

26 (e) Priority ranking within the highway district.

27 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 176 IS CREATED TO

1 READ AS FOLLOWS:

2 (1) The cabinet shall use the county population ranking produced every two (2) years
3 by the Cabinet for Economic Development to determine the amount of local
4 matching funds required for grants awarded from the LARP.

5 (2) The required local match for a project receiving funds from the LARP for
6 projects awarded in the next regular session of the General Assembly shall be as
7 follows:

8 (a) Eligible projects in counties where the county population ranking is equal
9 to or greater than one hundred ninety-three (193) shall provide local
10 matching funds equal to ten percent (10%) of the project cost;

11 (b) Eligible projects in counties where the county population ranking is less
12 than one hundred ninety-three (193) but equal to or greater than one
13 hundred forty-five (145) shall provide local matching funds equal to twelve
14 and one-half percent (12.5%) of the project cost;

15 (c) Eligible projects in counties where the county population ranking is less
16 than one hundred forty-five (145) but equal to or greater than ninety-seven
17 (97) shall provide local matching funds equal to fifteen percent (15%) of the
18 project cost;

19 (d) Eligible projects in counties where the county population ranking is less
20 than ninety-seven (97) but equal to or greater than forty-nine (49) shall
21 provide local matching funds equal to seventeen and one-half percent
22 (17.5%) of the project cost; and

23 (e) Eligible projects in counties where the county population ranking is less
24 than forty-nine (49) shall provide local matching funds equal to twenty
25 percent (20%) of the project cost.

26 (3) A city or county may use funds received under KRS 177.320(2) and 177.365 to
27 provide local matching funds for projects in the LARP.

1 ➔ SECTION 5. A NEW SECTION OF KRS CHAPTER 176 IS CREATED TO
2 READ AS FOLLOWS:

3 (1) The cabinet shall, on a quarterly basis, transmit electronically to the General
4 Assembly through the Legislative Research Commission a report on all activity
5 relating to projects funded through the LARP in a particular year.

6 (2) The data for each project listed in the report required by subsection (1) of this
7 section shall contain all activity on projects funded through the LARP for that
8 year, and shall also include but not be limited to the following:

9 (a) The name of the city or county responsible for maintaining the road or
10 street;

11 (b) A unique project identification number;

12 (c) The route and highway district where the project is located;

13 (d) The length of the project to the nearest one-tenth (1/10) of a mile;

14 (e) A description of the project and the scope of rehabilitation;

15 (f) The original estimated cost to complete the project;

16 (g) The status of funding for the project;

17 (h) If the project has been let, the:

18 1. Name of the contractor;

19 2. Contractor's vendor number in the statewide accounting system;

20 3. Current contract amount; and

21 4. Current amount earned by the contractor; and

22 (i) The:

23 1. Estimated date for completion of the project;

24 2. Current percentage of work completed based upon time;

25 3. Actual contract completion date, if applicable; and

26 4. The final actual cost to complete the project, if applicable.

27 ➔ SECTION 6. A NEW SECTION OF KRS CHAPTER 177 IS CREATED TO

1 READ AS FOLLOWS:

2 (1) The General Assembly finds that:

3 (a) The I-69 Ohio River Crossing Project, since its inception, was designed to
4 be financed by tolling revenues;

5 (b) In 2016, the Governors of Kentucky and Indiana signed a memorandum of
6 understanding directing both states to restart the I-69 Ohio River Crossing
7 Project; and

8 (c) Based on the anticipated cost of the project and the current funding
9 environment, the memorandum of understanding acknowledged that tolling
10 would need to be part of the financial plan to achieve an implementable
11 solution.

12 (2) No later than July 1, 2025, the Transportation Cabinet shall enter into a new
13 memorandum of understanding with the State of Indiana to use tolling revenues
14 to finance the I-69 Ohio River Crossing project.

15 ➔Section 7. 2024 Ky. Acts ch. 180, Part I, A, 4., (3) Biennial Highway
16 Construction Program, at page 1970, is amended to read as follows:

17 **(3) Biennial Highway Construction Program:** Included in the State Supported
18 Construction Program is \$535,665,100 in fiscal year 2024-2025 and
19 \$434,260,500~~[\$435,407,500]~~ in fiscal year 2025-2026 from the Road Fund for state
20 construction projects and the state match for federal projects in the 2024-2026 Biennial
21 Highway Construction Program.

22 ➔Section 8. 2024 Kentucky Acts Chapter 180, Part I, A., 4., (15) Grant
23 Anticipation Revenue Vehicle (GARVEE) Bonds, at page 1972, is amended to read as
24 follows:

25 **(15) Grant Anticipation Revenue Vehicle (GARVEE) Bonds:** Included in the
26 above Restricted Funds appropriation is \$150,000,000 in fiscal year 2025-2026 for
27 GARVEE Bond Funds to be issued for the I-69 Ohio River Crossing Project subject to

1 the provision that funds shall be released contingent on the incorporation of bridge
2 tolling and GARVEE Bond debt service in future financial plans to cover the costs of
3 the project. Reconsideration of this tolling provision may only occur if a federal grant
4 is received to cover the cost of this project~~[and the completion of the Mountain Parkway~~
5 ~~Widening Project]~~.

6 ➔Section 9. 2024 Kentucky Acts ch. 180, Part I, A., 4., (16) New Grant
7 Anticipation Revenue Vehicle (GARVEE) Debt Service, at page 1972, is amended to
8 read as follows:

9 **(16) New Grant Anticipation Revenue Vehicle (GARVEE) Debt Service:**
10 Included in the above appropriations is \$7,584,400 in Federal Funds and \$1,896,100 in
11 Road Fund in fiscal year 2025-2026 to support GARVEE Bonds debt service payments
12 relating to the I-69 Ohio River Crossing Project subject to the provision that funds shall
13 be released contingent on the incorporation of bridge and GARVEE Bond debt service
14 in future financial plans to cover the costs of the project. Reconsideration of this
15 tolling provision may only occur if a federal grant is received to cover the cost of this
16 project~~[and the completion of the Mountain Parkway Widening Project]~~.

17 ➔Section 10. 2024 Ky. Acts ch. 180, Part I, A, 4., (17) County Priority Projects
18 Program, at page 1972, is amended to read as follows:

19 **(17) County Priority Projects Program:** Included in the State Supported
20 Construction Program is \$20,000,000 in~~[each]~~ fiscal year 2024-2025 and \$21,147,000 in
21 fiscal year 2025-2026 from the Road Fund to establish the County Priority Projects
22 Program to assist with county and city roads. This funding will be contingent on the
23 Transportation Cabinet's submission of projects and approval by the General Assembly.
24 The submission of projects shall include a detailed listing of qualified projects that were
25 ranked either an 8, 9, or 10 to be completed using funds from the Highway Construction
26 Contingency Account by November 1 of each fiscal year. Projects received after
27 December 1 of each fiscal year may not be included in the following year's County

1 Priority Projects Program.

2 The County Priority Projects for fiscal year 2024-2025 are the projects approved
3 and itemized in 2024 Regular Session HJR 92. Notwithstanding KRS 48.710, any
4 unexpended funds in fiscal year 2024-2025 shall not lapse and shall carry forward to
5 fiscal year 2025-2026.

6 The Transportation Cabinet shall provide an additional report to the Legislative
7 Research Commission and the Interim Joint Committee on Appropriations and Revenue
8 detailing any project submitted to be completed using funds from the Highway
9 Construction Contingency Account within 30 days after it has been ranked and shall
10 detail the work requested, the county that requested the project, and the date the request
11 was received.

12 When a County Priority Project is completed, the Transportation Cabinet shall
13 notify the Legislative Research Commission and the Interim Joint Committee on
14 Appropriations and Revenue in writing.

15 ➔Section 11. 2024 Kentucky Acts ch. 180, Part I, A., 4., (27) Funding for Mega
16 Projects, at page 1973, is amended to read as follows:

17 **(27) Funding for Mega Projects:** It is the intent of the General Assembly that no
18 funds for any projects involving the Mountain Parkway~~[, the I-69 Ohio River Crossing,]~~
19 or the Hal Rogers Parkway shall be expended unless those projects first acquire a federal
20 grant.

21 ➔Section 12. Because portions of this Act amend the current Transportation
22 Cabinet budget, an emergency is declared to exist, and Sections 7 to 11 of this Act take
23 effect upon its passage and approval by the Governor or upon its otherwise becoming a
24 law.