



BUILD THE BRIDGES COALITION

March 5, 2009

House Panel Overwhelmingly Approves Authority Bill

By an overwhelming majority, a Kentucky house committee voted in favor of legislation late yesterday that would allow a state transportation authority to enter into an agreement with Indiana relating to financing and construction of large transportation projects, starting with the Ohio River Bridges Project.

The legislation, approved 26-1 by the House Appropriations and Revenue Committee, is expected to be voted on by the full house on Friday before being sent to the Senate for consideration.

The measure is a substitute of House Bill 102 that had been filed by State Rep. Don Pasley for a statewide infrastructure authority for mega projects costing \$500 million or more.

The new bill specifically limits the authority to projects bordering Indiana – the Bridges Project and the I-69 project that includes a Ohio River bridge linking Henderson in western Kentucky and Evansville, Ind.

Calling the new bill a “compromise,” Pasley explained the major change is a provision allowing a local authority that could oversee a specific project at the request of a local government. The Louisville Metro Council, for example, would have to propose a local authority to the governor in the case of the Bridges Project.

The bill leaves it up to the statewide authority, however, to approve any toll rates. The bill specifically excludes a local authority from entering into a bi-state agreement.

Repeating comments he made before legislative committees last year, Transportation Secretary Joe Prather told lawmakers that a new framework is needed for funding large projects or they will not be built. The state has been frugal in its approach to large projects, he said, citing the \$231.5 million appropriated last year for the Bridges Project. “We felt we shouldn’t be spending if we don’t know the end game,” Prather said, adding, “The time is now. We really need to know where we are going.”

Pasley said the bill would keep projects in public hands and would not involve selling public assets. The bill designates the Transportation Secretary as chairman of the state authority, which would have 11 members, most of whom would be appointed by the governor. A local authority would have seven members – four appointed by the governor and three appointed by the chief executive of the local government.

In an hour-long discussion about the proposal, several legislators endorsed the public authority concept and praised Pasley for his work on the bill. Questions focused on details of the proposal such as what role local governments would play in formation of a local authority and what voice they could have in setting tolls. Rep. Scott Brinkman of Louisville said he may file an amendment that would give the Louisville Metro Council more say on project financing and toll rates.

The only vote in committee against the bill was from Rep. Arnold Simpson of Covington who cited his opposition to tolls. Simpson said he was concerned that the bill's concept would be a funding template for the Brent Spence Bridge replacement even though that project bordering Ohio is excluded from the bill's provisions.

Simpson and State Rep. Jim Wayne of Jefferson County, did not vote in favor or against the bill, voiced concern that the bill did not have adequate public input but several legislators took issue with that view.

"We've discussed this over and over," said Rep. Fred Nesler of Mayfield. "We've chewed on this carrot a long, long time."