

March 13, 2009

**Kentucky Senate approves public authority legislation
Conference committee expected to address house-senate differences
General Assembly could adopt the legislation March 26-27**

The Kentucky Senate overwhelmingly approved legislation today that would allow creation of a bi-state public authority with the ability to issue bonds and tap high-speed electronic tolls as a new revenue source for the Bridges Project.

The legislation is expected to now go before a conference committee that would work out differences between the House and Senate versions. The Kentucky General Assembly could vote on a final bill during the last days of the session on March 26-27.

The Senate vote on the legislation is another key step toward adoption of public authority legislation by the 2009 Kentucky General Assembly. The legislation would provide the framework for funding the Bridges Project and accelerating its completion.

The full Senate vote was 31 in favor, 2 against, three “pass” and one not voting.

Senate President David Williams said at a Senate Transportation Committee meeting before the full senate vote that the legislation would likely go to a conference committee to resolve differences in the House and Senate versions of House Bill 102.

The House overwhelmingly passed its version of HB 102 on Monday. The House legislation would create an 11-member statewide infrastructure authority that could authorize a local authority over the project. The statewide authority could negotiate an agreement with another state, under the House version.

Under the Senate’s version, the Kentucky Turnpike Authority would serve as the state authority and could appoint a delegation to begin negotiations on a bi-state agreement with Indiana for financing and constructing a project. Kentucky Senate President David Williams said the bi-state authority would replace the House version’s local authority over a project. A bi-state authority, he said, is the “most appropriate” for large bridge projects linking Kentucky and Indiana including the Ohio River Bridges Project and the proposed I-69 bridge linking Henderson in Western Kentucky with Evansville in Southern Indiana.

Another concern is to ensure that the state’s debt capacity would not be affected by the authority issuing bonds, Williams said.

State Sen. Ernie Harris of Oldham County, chairman of the Senate Transportation Committee, explained that the bill was needed to fund major projects. State Transportation Cabinet officials have repeatedly said that the Bridges Project and other major transportation projects will not be funded without the legislature authorizing new revenue sources.

Sen. Tim Shaughnessy of Louisville spoke in favor of the bill yesterday and advocated a balance between state and local oversight of a bi-state authority. The only senator from Jefferson County voting against the bill was Perry Clark who did not comment on his vote. Sen. Dan Seum did not vote and expressed displeasure that there was not a plan for a new Ohio River bridge in western Louisville. Three senators from Northern Kentucky, where anti-toll sentiment has run strong, cast votes recorded as “pass” although the legislation applies only to projects linking Kentucky and Indiana and would exclude the proposed Brent Spence Bridge project in Northern Kentucky.