Hubert Collins is in his third term as state representative for Kentucky's 97th District. Born and reared in Johnson County, Rep. Collins is chair of the House Transportation Committee, and is a member of the Natural Resources and Labor & Industry Committee.

He was a teacher for 20 years, has been in the used car business for 23 years and the real estate business for 18 years. He also has been a basketball official for 35 years. Rep. Collins earned bachelor and masters degrees at Morehead State University.

AFTERNOON GENERAL SESSION
Monday, October 2, 1995

Honorable Hubert Collins
Co-Chair, Legislative Interim Transportation Committee
Kentucky General Assembly

UPDATE FROM THE KENTUCKY GENERAL ASSEMBLY

Thank you for inviting me to speak with you this afternoon. Many thanks go to the University of Kentucky for hosting this important transportation event and working so hard to assure that available information gets to those who need it most.

Being asked to speak to such an esteemed group of professionals reminds me of the minister who told his congregation: “This morning I’m going to speak about the relationship between fact and faith. It’s a fact that you are sitting here in the auditorium. It’s also a fact that I’m standing here speaking. But it is faith that makes me believe that you might be listening to what I have to say.”

Transportation issues are important to Kentuckians as the ramifications of such issues directly affect every person’s life whether they be six or sixty. Transportation in all its facets is a matter of mobility, making the difference in availability of services. And, it also means heightened desirability for economic development. Without suitable transportation, other services become less available. Legislators who are members of the transportation committee are keenly aware of this fact and work dili-
gently to create a conduit between government and the general public to maintain an awareness of the critical needs whether it be East and West Kentucky or Northern Kentucky or Louisville.

Because Kentucky is a diverse state, the needs vary from region to region. East and West Kentucky lack access to air transportation which is a vital link in attracting new business to a region. Rural areas are always in need of reconstruction, which means new bridges, blacktop, guardrails, and widened highways. Our highly populated areas such as Northern Kentucky and Louisville need airport expansion and traffic controls on busy four and six-lane intercity highways. It all boils down to improved access.

All of us here today play a role toward that end whether it be through legislative efforts, the hard work of our highway contractors and engineers, the local officials who are directly responsible for the quality of transportation in an area, or the state government employees who implement transportation policy.

The current 1995-96 state transportation budget is one billion plus ($1,312,649,200). It breaks down specifically into:

- $3,150,200 contribution from the General Fund Budget.
- $93,525,000 of Highway Bonds.
- $846,322,700 from the Road Fund that is generated within the Transportation Cabinet.

And, $19,402,800 from Restricted Funds such as the agency motor pool that state agencies' buy into.

That leaves $350,238,900 as the portion kicked in by the federal government. It is these dollars legislators will have to look at closely during the upcoming session in January. At this point, Congress is still not in agreement upon what funding will be cut or by how much. So states must simply watch and wait and ultimately respond to any cutbacks.

The jet fuel tax, collected by the state, unlike the motor fuels tax, goes directly into the General Fund pool. I would like to see legislators consider substantive increases in funding and/or other improvements for rural airports whether it can be found in the jet fuel monies or some other place. These rural airports can play an important role to local economic development. The Transportation Committee devoted considerable time looking at this issue and found that statistics show that new industry locates near airports, making it easier to initiate necessary repairs and more efficient movement of the product.

There has been much debate among Transportation Committee members regarding the mechanism by which automobile taxes are estimated. As you know, it is currently based on the so-called "blue book" (NADA).
A bill is about to be prefilled for consideration that will allow the tax to be determined by an affidavit system in which the buyer and seller go to the county clerk's office where they jointly sign an agreement verifying the sale price of the vehicle.

IFTA, the International Fuel Tax Agreement, is nearly a household phrase to members of the General Assembly. If you recall, the issue was considered seriously for the July special session. But the confusion regarding the facts surrounding the membership into the agreement as well as the initial financial impact on the Road Fund for Kentucky to join the agreement made it seem wise to wait until the situation was completely researched. As lawmakers, we need to absolutely understand the positive and negative affects for Kentucky.

On August 25, we applied for membership into IFTA. An Attorney General's opinion stated federal law supersedes state law allowing Kentucky to aptly proceed with the application without waiting for the General Assembly to convene in January.

The Federal Highway Funding Act, ISTEA, requires all states to participate in the International Fuel Tax Agreement by 1996. Currently, 43 states have joined. Massachusetts is now in the process of voting on membership. Rhode Island, Delaware, and New Jersey have not made an agreement. Our application should have time to proceed through the appropriate channels and still meet the established deadline of September 1996.

Kentucky's membership into IFTA requires us to repeal the 2-cent surtax on heavy trucks. The repeal would result in a $7-million annual loss to the Road Fund if it is not replaced.

The alternative is that Kentucky could lose much more if the U.S. Secretary of Transportation prevents Kentucky from collecting motor-fuel usage taxes from interstate carriers. Transportation officials say it could cost the state as much as $35 million.

Members of the Transportation Committee are looking at the feasibility of redefining taxes levied on vehicles weighing between 26 - 32,000 pounds. We have a few more days to work out this particular issue.

So you can see that the Legislature has plenty of debatable issues to say grace over when we convene in January. We welcome your advice, your support, and your expertise. The issues are not necessarily easy ones and we must use every avenue to carefully understand the ramifications of our decisions.

At this point I am going to quit before I end up like the medieval knight who returned home to his castle in very poor shape. He was bruised and battered, his armor was dented in a dozen places, and he was practically falling off his horse. When the king came out to greet him, he asked the knight what on earth had happened to him!! The knight said, "My lord, I merely went out to talk to your enemies in the
West." The king said, "I don't have any enemies in the West!" The knight said, "Well, you do now."

I'm going to sit down before I inadvertently stir up any trouble here today.