

Scorecard @ Jan 27
(18/60 days)

	Senate	House
# bills filed	128	467
# resolutions filed	129	125
# bills passed 1 chamber	10	27
# bills passed both chambers	0	1
# bills into law	0	0
# bills vetoed	0	0

LRC Contact Numbers

Bill Status	877/257-5541
Mtg info	800/633-9650
Legislators msg	800/372-7181
TTY msg	800/896-0305
Spanish msg	877/287-3134
LRC web	www.lrc.ky.gov

Key Session Dates

Jan 4	Convenes
Jan 9	Gov's State of Commonwealth Address
Jan 17	Gov's Budget
Feb 17	Last day to have a new bill drafted
Feb 27	Last day to file House bills
Mar 1	Last day to file Senate bills
Mar 24 & 27	Concurrence days
Mar 28- Apr 7	Veto days (GA not in session)
Apr 11	Adjourns

The General Assembly was treading water last week as members were looking toward this week, especially Tuesday, which is the final day candidates can file for office this year. All House districts and the even numbered Senate districts will have elections this year. Late last week, it appears that about 1/3 legislators will face opposition in the primaries.

Bills with broad bi-partisan support and little political downside can move quickly. The House passed **HB 283** (97-0) to provide a \$5 million emergency appropriation for the state's low-income heating assistance program, *LIHEAP*. Late last week, the Senate doubled the amount to \$10 million in a 36-0 vote. Not to be outdone, Gov. Fletcher also announced an additional \$2.5 million in federal funds for the *LIHEAP* program. The House is expected to concur with the Senate's version this week. The program will provide direct heating and fuel bill assistance to over 300,000 low-income households this winter season.

Both chambers also appear to be in agreement on legislation supporting our military, including the state National Guard and Reserve. Several bills have been filed to provide various types of additional assistance - financial, job protection, education, insurance, taxes, death benefits and others. For example, **SB 2**, the *Military Families Benefits Bill*, a comprehensive measure addressing a wide range of military families' needs, including establishing a new statewide military family assistance trust fund, passed the Senate (37-0) and is now in the House

Subcommittees of the House Appropriations and Revenue committee are now meeting on Governor Fletcher's proposed budget (**HB 380**). In one meeting last week, *Attorney General Greg Stumbo* made a strong presentation for more funds to prevent proposed cuts to his office. Claiming he will have to layoff staff and will lose additional federal funds, he made a spirited defense citing, among other things, the accomplishments of the consumer protection and utility intervention divisions. He spoke against the current PSC commissioners and called it the *Public dis-Service Commission*. He also hinted that legislation would soon be filed to change its structure.

House Democrats are countering the Governor's proposal (**HB 38**) for a right to work law with its own collective bargaining bill (**HB 467**) for public employees at the state and local level. This may be the one of the *wedge issues* that defines this session because it clearly separates the Democrats and Republicans and will be used in the upcoming elections.

House Democrats and Gov. Fletcher separately announced safe mining initiatives would soon be filed in response to the recent mine accidents in West Virginia and Kentucky.

Telecom Issues

The House Tourism Development and Energy committee hearing on **HB 337**, *telecom's Emerging Technology and Consumer Choice Act of 2006* was postponed last week on request of leadership. Other committee hearings were also postponed until after the Jan 31 filing deadline. The hearing is now expected on Thursday, Feb 2.

HB 337 Sponsors in the House

(43 sponsors - new sponsors in italics)

Primary Co-Sponsors: Joni Jenkins (D-Louisville) and Scott Brinkman (R-Louisville)

Democratic Co-Sponsors: Eddie Ballard (Madisonville), Carolyn Belcher (Owingsville) Kevin Bratcher (Louisville), Tom Burch (D-Louisville), Mike Cherry (Princeton), Larry Clark, (Louisville), Hubert Collins (D-Wittensville), Teddy Edmonds (Jackson), Jim Gooch (Providence), J R Gray (Benton), Charlie Hoffman (Georgetown), Dennis Horlander (Shively), Mary Lou Marzian (Louisville), Chuck Meade (McDowell), Reggie Meeks (Louisville), Charlie Miller (Louisville), Fred Nesler (Mayfield), Steve Riggs (Louisville), Tommy Thompson (Owensboro), and Brent Yonts (Greenville).

Republican Co-Sponsors: Joe Bowen (Owensboro), Jim Carr (Hopkinsville), Ron Crimm (Louisville), Jim DeCesare (Bowling Green), Milward Dedman (Harrodsburg), Bob DeWeese (Louisville), David Floyd (Bardstown), Danny Ford (Mt. Vernon), Mike Harmon (Junction City), Mary Harper (Shepherdsville), Jeff Hoover (Jamestown), Tom Kerr (Taylor Mill), Paul Marcotte (Union), Brad Montell (Shelbyville), Marie Rader (McKee), Steve Rudy (La Center), Charlie Siler (Williamsburg), *Terry Shelton (Magnolia)* and Addia Wuchner (Burlington).

Opponents are gearing up for a fight on the House floor. AARP and a few CLECs are hiring lobbyists to oppose the bill. AARP wants more consumer protections and more, not less, overall regulation of all companies. CLECs are raising wholesale and pricing issues. Proponents counter that the bill addresses retail markets only and that basic service and other pricing protections are

built into the bill as well as other state and federal laws.

The House Appropriations and Revenue committee passed **HB 48** after amending it to limit the provisions to cable. The amendment was supported by telecom. The bill will allow in-kind services or property agreements separate from a franchise agreement. The committee also passed **HB 403** which clarifies certain communications tax provisions in the Tax Modernization Act of 2005. An amendment to change a penalty provision period from billing cycle to monthly has been filed on the House floor. Telecom supports the amendment.

Ins & Outs

The bust of *Colonel Harland Sanders* will remain in the Capitol. Gov. Fletcher has rejected actress Pamela Anderson and PETA's claim to remove it because Sanders/Kentucky Fried Chicken was a "symbol of cruelty to chickens." Meanwhile, the hunt continues for the secret recipe of 11 herbs and spices.

Kentucky must be good in the afterlife too. *Wilson Picket*, a famous soul singer and member of the Rock and Roll Hall of Fame, was buried in Louisville last week. A native of Alabama, he was buried by his mother; other family members are still living in Kentucky. Aging baby boomers will remember his versions of *In the Midnight Hour* and *Mustang Sally*.

Gov. Fletcher and the General Assembly will host a reception in honor of ConnectKentucky on Feb 8, also being called *Tech Day in Kentucky*. ConnectKentucky has worked to promote broadband service statewide by 2007 and supports HB 337.

Senate Bills & Resolutions

SB 49 GIFT CARD RESTRICTIONS

(Roeding) – Would define and place restrictions of the sale of gift cards. *Exempts prepaid calling cards. [Filed 1/4. Senate Banking & Insurance Cmte passed cmte substitute, 1/27.]*

SB 53 CMRS BOARD

(Buford) – Would clarify that prepaid calling cards are subject to the wireless E911 surcharge. Reallocates surcharge monies to fund the state 911 Office, create a fund for a direct grant or matching funds program and restrict provider cost recovery to Tier III carriers. *[Filed 1/4; now in Senate Appropriations & Revenue (A&R).]*

SB 59 HOMELAND SECURITY

(Kelly) – Confirms a 2005 Executive Order to establish an Office of Homeland Security in the Governors office. *The CMRS Board is transferred from COT into this new office. [Filed 1/5. Senate State & Local Government passed cmte substitute, 1/11. Passed Senate 32-0, 1/17. Now in House State Gov't.]*

SB 88 TDD DISTRIBUTION PROGRAM

(Buford) – Would rename the a) program to Telecommunications Access Program and b) TDD equipment to specialized telecommunications equipment (STE), and expand type of STE available in the program. *[Filed 1/17. Senate Agriculture & Natural Resources passed, 1/26. Now in Rules.]*

SB 111 AERIAL IMAGERY

(Tori) – Would require all entities in state that creates or purchase aerial images using public funds to give free copy to state. *[Filed 1/23; now in Senate A&R.]*

House Bills & Resolutions

HB 9 MOBILE PHONE RESTRICTIONS

(Marcotte) – Would prohibit use of mobile phones while driving. Exempts emergency personnel & hand-free phones. *[Filed 1/3; now in House Transportation Cmte.]*

HB 48 FRANCHISE FEES/TAXES

(Rasche) – Would redefine franchise fee/taxes to exclude any in-kind cost or property "required by a franchise agreement to be incurred by a provider for a capital items for public, educational, or governmental access facilities. *[Filed 1/3. House Appropriations & Revenue (A&R) passed w/amendment to exclude telecom, 1/24. Now on House floor w/floor amendment.]*

HB 52 PUBLIC SERVICE COMMISSION

(Cherry) – Would expand the Executive Branch Ethics Commission (EBEC) definitions to include the PSC and its orders. *[Filed 1/3; now in House State Gov't (SG).]*

HB 74 RURAL ENHANCEMENT & DEVELOPMENT CMTE

(Denham) – Would create the Rural Enhancement & Development Cmte as a new permanent LRC sub-cmte. Part of its duties would be to review rural "infrastructure development, including telecommunications and broadband access". *[Filed 1/3; now in House SG.]*

HB 82 JOINT MUNICIPAL OPERATIONS

(Cherry) – Would allow separate municipal electric systems to jointly own and provide electric services. All related provisions in KRS 278 are maintained. *Electrics (IOUs & RECCs) have presented Statement of Principles. [Filed 1/3; now in House Tourism Development & Energy (TD&E).]*

HB 175 IDENTITY THEFT

(Lindsey) – Would require businesses and government agencies notify persons if a breach of security of their computerized personal information occurs. *[Filed 1/3. House Judiciary approved cmte substitute, 1/11. Now on House floor w/floor amendments filed.]*

HB 185 SMALL BUSINESS CONTRACTS

(Farmer & Palumbo) – Would require governments to give preferences to small businesses in defined purchases and contracts. *[Filed 1/3; now in House SG.]*

HB 298 ETHICS

(Vincent) – Would establish an annual \$125 registration fee paid by lobbyists to the Executive Branch Ethics Commission. *[Filed 1/10; now in House SG.]*

HB 337 TELECOM REGULATORY REFORM

KTA SUPPORTS

(Brinkman, Jenkins et al) – Would limit PSC jurisdiction to basic service, redefine minimum service standards and allow alternative regulation and bundling of services. *AARP & some CLECs oppose. Cmte Sub expected. [Filed 1/12; now in House TD&E.]*

HB 341 SCHOOL TECHNOLOGY

(Draud & Jenkins) – Would require all technology systems used in K-12 schools meet guidelines to ensure the integration of multi-vendor software applications. *[Filed 1/12; now in Education.]*

HB 348 METROPOLITAN & MICROPOLITAN CMTE

(Riggs et al) – Would create the Metropolitan & Micropolitan Cmte as a new permanent LRC sub-cmte. Part of its duties would be to review rural *"infrastructure development, including telecommunications and broadband access and needed improvements"*. [Filed 1/12. House LG passed, 1/24. Now posted on House floor.]

HB 364 TAX MODERNIZATION CLARIFICATIONS

(Farmer & Belcher) – Would amend corporate tax sections, including the alternative minimum tax provisions. [Filed 1/17; now in House A&R.]

HB 374 ADMINISTRATION REGULATIONS

(Palumbo et al) – Would require a cost-benefit analysis be part of issuing new regulations, new notification procedures and each cabinet to have a small business ombudsman. [Filed 1/17. House Economic Development passed, 1/24. Now posted on House floor.]

HB 378 INCREASE MINIMUM WAGE

(Gray et al) – Would increase the minimum wage to \$6 in July, \$6.50 in July, 2007 and adopt federal minimum wage if higher. [Filed 1/17. Labor & Industry passed, 1/24. Now posted on House floor w/6 floor amendments.]

HB 380 EXECUTIVE BRANCH BUDGET

(Moberly & Hoover) – Gov. Fletcher's budget seeks \$17.7 billion to fund the state government for FY 2006-08. *PSC budget proposal is \$15.1 M, after returning \$5.3M to the state general fund in FY 2007.* [Filed 1/17; now in House A&R.]

HB 381 LEGISLATIVE BRANCH BUDGET

(Moberly) – Legislative branch seeks \$97.2 million to fund the LRC and GA operations for FY 2006-08. [Filed 1/17; now in House A&R.]

HB 382 JUDICIAL BRANCH BUDGET

(Moberly & Lindsey) – Judicial branch seeks \$615.2 million to fund the state courts system in FY 2006-08. [Filed 1/17; now House A&R.]

HB 390 EXECUTIVE ORDERS

(Barrows) – Would add restrictions to the scope and terms of executive orders. [Filed 1/18; now in House SG.]

HB 396 KLEC RESTRICTIONS

(Cherry) – General overhaul of legislative ethics law, providing more definitions and clarifications to what legislators can and cannot do with, among other things, lobbyists and campaign funding. [Filed 1/18; now in House SG.]

HB 403 TAX MODERNIZATION CLARIFICATIONS

(Moberly) – Would clarify tax changes made in the Tax Modernization Act of 2005, *including sourcing of communications and cable tax revenues and establishing new penalties for non-compliance.* [Filed 1/17. House A&R passed 1/24. Now on House floor w/telecom supported floor amendment.]

HR 26 PSC RATE FREEZE

(Nelson) – request PSC not authorize utility rate increases in 2006. [Filed 1/3; now posted in House TD&E.]

HR 28 E-SCRAPE TASK FORCE

(Webb) – Creates legislative task force to assess recycling of e-scrap waste report by Dec 1, 2006. [Filed 1/3; now posted in House Natural Resources & Environment.]

Editors Note. This news bulletin is published weekly via email during sessions of the General Assembly for the benefit and information to KTA members and friends. Special issues and Member Alerts will also be published as needed to notify members of significant action or bills affecting members. Contact the KTA office to be added or deleted from the distribution list, or to receive it in a different medium. Each edition will also be available on the KTA web site at www.ktaoffice.org. Questions and comments should be directed to Forest M. Skaggs at 859/223-9001 or forest@ktaoffice.org.