

Scorecard @ Mar 10
(47/60 days)

	Senate	House
# bills filed	258	754
# resolutions filed	260	252
# bills passed 1 chamber	98	216
# bills passed both chambers	11	20
# bills into law	1	5
# 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 4	Last day to file Senate bills
Mar 24 & 27	Concurrence days
Mar 28- Apr 7	Veto days (GA not in session)
Apr 11	Adjourns

There are only 13 days left in the session. Legislators will be in recess Mar 28-Apr 7, and return Apr 10-11 to consider any vetoes and other business. Final adjournment is Apr 11. Some say there is not enough time for major issues still on the table; others say the session is too long now. All agree that bills must move from one chamber to the next this week or else. In particular, the *casino gaming bills* must move out of the House and a compromise bill is not yet in sight. Other major bills needing immediate help are the *prevailing wage (HB 217)* and *right-to-work (HB 38)* proposals supported by the administration, a proposed constitutional amendment to limit *medical malpractice awards (SB 1)*, *pay equity (HB 399)* and *workers compensation for jockeys (HB 741)*.

This has been an unusual session with little political fireworks and many bills held up due to concerns of controversy or opposition, either real or imagined. Legislators do not seem willing to tackle hard issues yet.

The House passed the *FY 06-08 executive branch budget (HB 380)* in a 97-0-1 vote last week and sent it to the Senate. The budgets for the judicial (**HB 382**) and legislative (**HB 381**) branches were also passed. The \$17.8 billion budget would fund 17 courthouse projects, significant pay increases for teachers and their retirement funding, and \$6 million for grants for establishing E911 service in 24 counties. The budget included \$75 million for a new downtown arena in Louisville, but only if built at a specific site that is opposed by the Governor.

Following committee meetings this week and next, the Senate is expected to vote on its version late next week. If the House doesn't concur in the Senate version, it will go to a conference committee for final negotiations on a compromise bill. The House and Senate will then vote on the compromise bill, generally on day 59 or 60 of the session.

The *House Tourism Development and Energy committee passed 2 significant utility bills last week*. The RECCs line of business bill (**HB 568**) passed out with a committee substitute in a compromise with the retail industry. The committee passed a committee substitute of the telecom competition bill (**HB 337**) in a special meeting late last week. See page 2 for more details.

The *Senate passed major coal mine safety legislation (SB 200)* in response to recent mine fatalities in West Virginia and Kentucky. The bill would require 2-way communications equipment and self breathing devices be kept in mines at regular intervals, a state approved emergency evacuation plan at each mine and additional evacuation training. Several other mine safety bills are also pending.

Telecom Issues

A committee substitute to **HB 337**, *Telecom's Emerging Technology and Consumer Choice Act of 2006*, passed out of a special meeting of the House Tourism Development and Energy committee last Tuesday. The committee substitute addressed most of the concerns of the opponents. The bill is now on the House floor. A floor vote was expected Friday but the bill was not called. It is now expected to be called for a vote by Tuesday. Three floor amendments have been filed to "gut" the major provisions of the bill. Rep. Robin Webb (D-Grayson) filed the amendments and was the only one to vote against the bill in committee. Supporters are working with the bill sponsors to defeat the amendments.

HB 337 Sponsors in the House

(51 sponsors - new sponsors in italics)

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

Democratic Co-Sponsors: Royce Adams (Dry Ridge), 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), JR Gray (Benton), Charlie Hoffman (Georgetown), Dennis Horlander (Shively), Mary Lou Marzian (Louisville), Chuck Meade (McDowell), Reggie Meeks (Louisville), Charlie Miller (Louisville), Fred Nesler (Mayfield), Darryl Owens (Louisville), Ruth Ann Palumbo (D-Lexington), Steve Riggs (Louisville), Arnold Simpson (Covington), Tommy Thompson (Owensboro), Ron Weston (D-Louisville), *Rob Wilkey (Scottsville)*, and Brent Yonts (Greenville).

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

Supporters believe that House leadership has been hesitant to call the bill for a floor vote out of

concern of vocal opposition from the AARP, some CLECs and possibly the Attorney General. The sponsors have indicated that the bill will pass if called by leadership. Following the committee vote, 4 more co-sponsors signed on.

A committee substitute to **HB 656** passed out of the Appropriations and Revenue committee last week and is now on the House floor. The bill will reorganize the state *CMRS Board*, reduce the wireless E911 monthly surcharge to 65 cents and provide KTA with a voting board seat. A new grant program to help counties expand E911 services will be funded by the wireless surcharge. The bill has broad support from the local PSAPs and state homeland security officials. Some wireless carriers are opposed to several provisions of the bill, including giving KTA a voting board seat.

The *broadband deployment bill (HB 550)* passed the House last week in a 97-0 vote with an amendment to give local governments a role in providing input on applications. The bill is now in the Senate. As it did in the House, KTA is likely to testify in support of the bill in Senate committee.

Ins & Outs

Gov. Fletcher was readmitted into a Lexington hospital last Thursday with a blood clot in his left arm. He is expected to be released today. Doctors removed most of the clot during 2 separate procedures and have prescribed blood thinner until the last of the clot is gone. He has been in the hospital for 18 days during the session.

Don't forget that *March 13-19 is American Chocolate Week*. Be sure to celebrate with your favorite brand of chocolates.

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. Senate passed 35-0 w/1 amendment 2/6. House Banking & Insurance passed w/amendment 2/23. House passed 95-2 w/floor amendment, 3/6. Senate concurred 37-0, 3/10.]*

SB 53 CMRS BOARD

(Buford) – Would a) clarify that prepaid calling cards are subject to the wireless E911 surcharge, b) reallocates surcharge monies to fund the state 911 Office, c) create a fund for a direct grant or matching funds program and d) restrict provider cost recovery to Tier III carriers. See HB 656. *A similar administrative sponsored bill is expected to be filed. [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 (S&LG) passed cmte substitute 1/11. Passed Senate 32-0, 1/17. Now posted in House State Government (SG).]*

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 types of STE available in the program. *[Filed 1/17. Senate Agriculture & Natural Resources (Ag&NR) passed 1/26. Senate passed 34-0, 2/1. House Education passed 2/15. House passed 98-0, 3/8. Now w/Governor.]*

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. *Cmte substitute restricts usage & access to gov't use only. [Filed 1/23. Senate A&R passed cmte substitute 2/23. Senate passed 27-1, 3/2. Now posted in House A&R.]*

SB 131 SYNTHETIC GAS SUPPLY CONTRACTS

(Stivers) – Would require PSC to approve a 20-year supply contract for pipeline quality synthetic natural gas produced through a gasification process if certain limitations are met. *[Filed 1/3. Senate Ag&NR passed 2/9. Senate passed 37-0, 2/16. House Tourism Development & Energy (TD&E) passed 3/9. Now in Rules.]*

SB 167 PUBLIC RIGHT OF WAY

(Harris) – Would define unmarked public ROW. Same as HB 501. *[Filed 2/8. Senate Transportation passed 2/22. Senate passed 38-0, 3/1. Now in House Transportation.]*

SB 228 SCHOOL TECHNOLOGY

(Seum) – Would require all technology systems used in K-12 schools meet guidelines to ensure the integration of multi-vendor software applications. See HB 341. *[Filed 2/27; now in Senate Education.]*

SR 146 PSC APPOINTMENT

(Williams) – To confirm the appointment of Teresa Hill as PSC commissioner and vice-chair for term ending July 1, 2009. *[Filed 2/1. Senate Ag&NR adopted 2/9. Senate adopted 38-0, 2/22.]*

SJR 226 PAUL R. GEARHEART RECOGNITION

(Turner) – To recognize the career and accomplishments of Paul R. Gearheart by naming a Floyd County bridge after him. *Sponsor withdrew SJR 205 to refile this resolution. [Filed 2/27; now in Senate Transportation.]*

House Bills & Resolutions

HB 9 MOBILE PHONE RESTRICTIONS

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

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. House passed 93-2 w/cmte & floor amendments limiting bill to cable 1/30. Now in Senate A&R.]*

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. House SG passed cmte substitute 2/7. House passed 96-0, 3/6. Now in Senate Ag&NR.]*

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. House SG passed 2/7. House passed 98-0, 2/22. Now in Senate Ag&NR.]*

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 submitted a Statement of Principles. *[Filed 1/3; now posted in House TD&E. Hearing 2/23.]*

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. Recommitted to Judiciary 2/7.]*

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 posted in House SG.]*

HB 298 GOVERNMENT ETHICS

(Vincent) – Would establish an annual \$125 registration fee from lobbyists to the Executive Branch Ethics Commission. *[Filed 1/10. House SG passed 1/31. House passed 95-0, 2/8. Senate S&LG passed 2/22. Senate passed 38-0, 3/1. Now w/Governor.]*

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. Opponents at the Feb 2 hearing were the Attorney General, AARP, SouthEast Telephone, Time Warner Telecom & the Catholic Conference of KY. The PSC was neutral but raised substantial questions/concerns. *The cmte chair called a Mar 2 negotiations meeting which resulted in a 2nd cmte substitute and allowed a special cmte mtg on the bill. [Filed 1/12. House TD&E passed cmte substitute 3/7. Now posted on House floor w/3 floor amendments.]*

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. See SB 228. *[Filed 1/12. House Education passed 3/8. Now in Rules.]*

HB 348 METROPOLITAN & MICROPOLITIAN 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 Local Government passed 1/24. House passed 98-0 w/floor amendment, 2/28. Now in Senate S&LG.]*

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. House passed 95-0 w/floor amendment 2/7. Now in Senate A&R.]*

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 (L&I) passed 1/24. Recommitted to L&I 2/7.]*

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 \$27.8M, after returning to the state general fund \$5.3M in FY 06, \$1M in FY07 & FY08. [Filed 1/17. House A&R passed 2/21; recommitted to cmte 2/22. House A&R passed cmte substitute 3/6. House passed 97-0-1 w/4 of 13 floor amendments, 3/7. Now in Senate A&R.]*

HB 390 EXECUTIVE ORDERS

(Barrows) – Would add restrictions to the scope and terms of executive orders. *[Filed 1/18. House SG passed 1/31. Now on House floor w/floor amendment.]*

HB 396 LEGISLATIVE ETHICS

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

HB 403 TAX MODERNIZATION CLARIFICATIONS

Law

(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. House passed 95-0 w/telecom supported floor amendment 1/30. Senate A&R passed 2/9. Recommitted to Senate A&R and passed cmte substitute 2/15. Senate passed cmte sub 37-0, 2/15. House concurred in Senate version 98-0, 2/22. Governor signed 3/6.]*

HB 468 TDD SURCHARGE INCREASE

(Westrom & Siler) – Would raise the TDD Distribution Program surcharge to “not less than 2 cents/access line” from “not to exceed 1 cent”. Sponsor filed floor amendment to limit increase to “2 cents/access line”. *[Filed 1/30. House TD&E passed 2/16. House passed 98-0 w/floor w/amendment 2/28. Now in Senate Ag&NR.]*

HB 485 UTILTY SALES TAX EXEMPTION

(Owens) – Would expand the residential utility sales tax exemption to apartments and mobile home parks. The exemption applies to electric, gas and water residential sales. *[Filed 2/1; now in House A&R.]*

HB 501 PUBLIC RIGHT OF WAY

(Collins et al) – Would define unmarked public ROW. Same as SB 167. *[Filed 2/2. House Transportation passed cmte substitute 2/9. House passed 96-2, 2/15. Now in the Senate Transportation.]*

HB 522 DIRECTORY RESTRICTIONS

(Ford et al) – Defines & prohibits “misleading telephone directory advertising by florists” and establishes penalties. Telco providing directory is exempt. *[Filed 2/6; now in House Licensing & Occupations.]*

HB 524 PSC COMPLIANTS

(Weaver) – Would require PSC to establish procedural schedule within 60 days of AG filing a complaint. *[Filed 2/7. House TD&E passed 2/16. House passed 85-13, 3/1. Now in Senate Ag&NR.]*

HB 536 TELEMARKETING

(Adkins) – Would define the state zero call list as the national Do Not Call registry maintained by the FTC, removes the AG from maintaining a state list and makes wireless numbers eligible for inclusion to the zero call list. *[Filed 2/8. House SG passed 2/28. House passed 97-0, 3/8. Now in Senate.]*

HB 538 CLEANCOAL SURCHARGE

(Webb) – Would allow electric utilities to charge a “clean coal generation surcharge” during power plant construction to recover capital, financing and related expenditures. *[Filed 2/8; now posted in House TD&E.]*

HB 543 TELEPHONE CUSTOMER RECORDS

(Adkins) – Would prohibit obtaining and selling telephone records without authorization and establishes penalties, exempts law enforcement and telcos with limitations and requires telcos to establish procedures to maintain privacy of customer records. *Telecom supported amendments are expected in a cmte substitute.* *[Filed 2/9; now posted in House Judiciary.]*

HB 550 BROADBAND DEPLOYMENT INCENTIVES

KTA Supports Cmte Sub

(Palumbo) – Would establish the “Kentucky Broadband Account” within the Kentucky infrastructure Authority to fund broadband deployment projects for private and local governments. Broadband projects are defined as a) areas with no broadband service or are underserved and b) wireless broadband service for a county courthouse. Cmte substitute filed w/telecom supported amendments limiting projects to unserved areas. *KTA testified in support at House cmte hearing.* *[Filed 2/9. Reassigned from House TD&E to Economic Development (EconDev) 2/14. House EconDev passed cmte substitute 3/1. House passed 94-0 w/floor amendment 3/9. Now in Senate.]*

HB 568 RECC LINES OF BUSINESS

(Wilkey) – Would allow rural electric cooperative cooperatives to enter other lines of business. RECCS sponsored bill in response to a state Supreme Court ruling that current law limits sales to electric power only. *Parties agree to compromise committee substitute. Floor amendment filed to make telecom services a primary line of business.* *[Filed 2/13. House TD&E passed cmte substitute 3/9. Now posted on House floor w/floor amendment.]*

HB 635 MOBILE PHONE RESTRICTIONS

(Meeks & Marcotte) – Would prohibit use of mobile phones while driving. Emergency personnel & hand-free phones are exempt. See HB 9. *[Filed 2/21; now in House Transportation.]*

HB 656 CMRS BOARD

(Barrows & Damron) – Would a) clarify that prepaid calling cards are subject to the wireless E911 surcharge, b) revise Board membership (*KTA rep would become voting member*), c) *revise duties to include “developing standards & protocols of 911 services”*, d) create a fund for a direct grant or matching funds program to expand E911 statewide and e) revise funding allocations to carriers and PSAPs. Supported by KENA. See SB 53. [Filed 2/22; now in House SG. House A&R passed cmte substitute w/amendment, 3/10.]

HB 662 TAX PENALTY WAIVER

(Kerr) – Would provide 1-year waiver of any penalty directly resulting from tax changes in the 2005 Session. [Filed 2/23; now in House Judiciary.]

HB 707 COMMERCIAL DRIVERS LICENSE

(Belcher) – revises CDL testing procedures and establishes new \$100 test fee. [Filed 2/27. House Transportation passed 3/9. Now in Rules.]

HB 714 MOBILE PHONE RESTRICTIONS

(Dedman & Bowen) – Would prohibit use of mobile phones while driving a school bus. [Filed 2/27; now in House Transportation.]

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HCR 26 PSC RATE FREEZE

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

HCR 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. House Natural Resources & Environment passed w/cmte amendment 1/31. House adopted w/floor amendment 97-0, 2/22. Now in Senate Ag&NR.]

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.