

**2007
REGULAR SESSION**

Scorecard @ Feb 9
(9/30 days)

	Senate	House
# bills filed	151	403
# resolutions filed	97	120
# bills passed 1 chamber	2	1
# bills passed both chambers	0	0
# bills into law	0	0
# bills vetoed	0	0

LRC Contact Numbers

Mtg info	800/633-9650
Legislators msg	800/372-7181
TTY msg	800/896-0305
En Espanola	866/840-6574
LRC web	www.lrc.ky.gov

Key Session Dates

Jan 2	Session I Convenes
Feb 6	Session II Convenes
Feb 9	Last day to have a new bill drafted
Feb 16	Last day to file Senate bills
Feb 20	Last day to file House bills
Mar 9 & 12	Concurrence days
Mar 13 - 23	Veto days (GA not in session)
Mar 27	Adjourns

Legislators returned for the second part of the 2007 session last week and immediately went to work. Several bills have already been passed in committees and are now on the House or Senate floor for passage this week. Three bills were passed by the House or Senate last week.

During the recess, leadership was busy determining what issues were of most interest to their caucuses and the public. Governor Fletcher was busy doing the same thing by holding town meetings across the state. With over 550 bills now filed, many legislators apparently found out what their districts wanted. The last days to file bills are Feb 16 in the Senate and Feb 20 in the House.

Telecom and other utility related issues will again be reviewed by the Senate Agriculture & Natural Resources and House Tourism Development & Energy committees. The Committees makeup is on page 2.

The Consensus Forecasting Group has released projections indicating state revenues for the current fiscal year will be \$401 million higher than what was projected in the current state budget. The previous estimate placed the surplus at \$279 million. The updated forecast from the panel of economic experts also estimates that revenues for the 2008 fiscal year will exceed budget expectations by \$169 million.

Governor Fletcher delivered his State of the Commonwealth address on Feb 6. He reviewed his administration's accomplishments and proposed several spending proposals totaling almost \$250 million of the surplus. *Surplus spending proposals related to telecom included \$4.1 million to develop basic infrastructure for the statewide e-health network and \$8.5 million to the local governments hold harmless funds in the telecom tax formula.* Local governments have claimed they are coming up short under the new tax structure. The hold harmless fund is supposed to replace the franchise fees previously charge by local governments.

Although some legislators have voiced concerns with spending the surplus until the full budget can be reviewed next year, others have also filed bills to use some of this surplus.

Among the many issues expected to get attention are education, economic development, minimum wage increase, casinos, energy conservation, securing state pension funds, mine safety, social worker safety, prison reform, election reform, alternative minimum calculation tax, strengthening the state merit system, pardon reform and opening the budget to use surplus funds.

Telecom Issues

SB 74 appears to be a bill to make *permanent state funding for ConnectKentucky*. The bill, filed by Sen. Ernie Harris (R-Crestwood), would assign broadband deployment and usage monitoring and reporting requirements to the Governor's Office of Local Development (GOLD) which could then contract these responsibilities to a non-profit organization (ConnectKentucky?). Telco lobbyists are working on language changes to ensure the responsibilities follow the recent Broadband Task Force report. A House resolution on the task force report may also be filed soon.

HCR 70 to require a study of 911 funding by the LRC was filed last week by Rep. James Glenn (D-Owensboro). Local governments have complained that funding of local 911 centers (PSAPs) is compromised by the decline of wireline access lines. The study will look at PSAP funding levels, factors contributing to the decline in funding levels, and any available alternatives to replace or supplement lost land line fees.

Once again, the GA may consider a bill to restrict cell phone use while driving. Reps. Reggie Meeks and Tom Burch (both D-Louisville) filed **HB 301** to prohibit use of "wireless communications devices" while driving. Hands free phones and EMS are exempt. Based on related activity across the nation, this bill has more "legs" this session.

HB 360 covers the telecom portion of the national streamlined state sales tax pact not previously adopted by Kentucky. The bill, filed by Rep. Harry Moberly (D-Richmond) places the state in full compliance with the national pact. The bill is under review.

Ins & Outs

It will be interesting to see how the Governors race will impact the GA. Not only is Gov. Fletcher seeking re-election, several prominent Rs and Ds have entered the race. With the primary election on May 22, campaigning is in full swing and look for several face-offs on the merits of bills during the session. To see the full slate of candidates, go to the Secretary of State's web site at www.sos.ky.gov.

Cable is beefing up its lobbying efforts. The Kentucky Cable Telecommunications Association has hired a full time lobbyist and opened an office in Frankfort. Do they know something telcos don't?

Kudos to President Bush for proposing to repeal the federal excise tax on all communications services in his budget released last week. The IRS stopped enforcing the tax on long distance last year and the proposal will formally repeal the tax.

Senate Agricultural & Natural Resources Cmte

Chair – Tom Jensen (R-London)

Vice Chair – Vernie McGaha (R-Russell Springs)

Members – David Boswell (D-Owensboro), Ernie Harris (R-Crestwood), Dan Kelly (R-Springfield), Bob Leeper (I-Paducah), Joey Pendleton (D-Hopkinsville), Dorsey Ridley (D-Henderson), Richie Sanders (R-Franklin), Ernesto Scorsone (D-Lexington) & Damon Thayer (R-Georgetown)

House Tourism Development & Energy Cmte

Chair – Eddie Ballard (D-Madisonville)

Vice Chairs – Tanya Pullin (D-South Shore), Ansel Smith (D-Leburn), Brandon Smith (R-Hazard) & Ron Weston (D-Fairdale)

Members – Royce Adams (D-Dry Ridge), Carolyn Belcher (D-Owingsville), Larry Clark (D-Louisville), Leslie Combs (D-Pikeville), Milward Dedman (R-Harrodsburg), Bob DeWeese (R-Louisville), Myron Dosssett (R-Pembroke), Jim Gooch (D-Providence), Keith Hall (D-Phelps), Mike Harmon (R-Junction City), Tom Kerr (R-Taylor Mill), Tom McKee (D-Cynthiana), Tim Moore (R-Elizabethtown), David Osborne (R-Prospect), & Robin Webb (D-Grayson)

Senate Bills & Resolutions

SB 5 MINIMUM WAGE INCREASE

(Scorsone et al) – Would increase the state minimum wage level on a graduated basis to \$7.25 by July, 2009 and, thereafter, adopt the federal minimum wage if it exceeds the state level. *[Filed 1/2, now in Senate Economic Development, Tourism & Labor.]*

SB 7 ELECTRIC UTILITY STAFFING

(Worley) – Would require PSC to direct electric utilities to assign at least 1 full-time service employee in each county with over 500 customers. *[Filed 1/2, now in Senate Agriculture & Natural Resources (A&NR).]*

SB 55 FINANCE AND ADMINISTRATION CABINET REORGANIZATION

(Kelly) – Would require, in part, a review of all state agencies' IT sections and, if deemed necessary, consolidate operational control under COT. *[Filed 1/5. Senate State & Local Gov't passed cmtte substitute 2/7. Now posted on Senate floor.]*

SB 65 SEX OFFENDERS REGISTRATION

(Jones) – Would amend required registration information to include internet communications identities. *[Filed 1/5. Senate Judiciary passed 2/8. Now in Rules.]*

SB 74 CONNECTKENTUCKY FUNDING

(Harris) – Requires DLG/GOLD to monitor and report on broadband deployment and adoption. DLG may contract w/non-profit organization (ConnectKentucky) to carry out provisions. *[Filed 2/6; now in Senate Ag&NR.]*

SB 84 CDL DRUG TESTING

(Guthrie) – Would requires employer to notify Transportation Cabinet of any positive drug tests of employees with CDLs. The cabinet will suspend the CDL pending treatment. *[Filed 2/6; now in Senate Transportation.]*

House Bills & Resolutions

HB 7 IDENTITY THEFT REFORM

(Webb & Richards) – Would define identity theft, restricts use of social security numbers in general business and government and establishes expedited court process. *[Filed 2/7; now in House Judiciary (Jud).]*

HB 17 MINIMUM WAGE INCREASE

(Grey et al) – Would increase the state minimum wage to \$7.00 on the effective date of the bill, and annual increases at least equal to the CPI. *[Filed 1/2; now in House Labor & Industry (L&I).]*

HB 37 MINIMUM WAGE INCREASE

(Riner) – Would increase the state minimum wage level on a graduated basis to \$7.25 by July, 2008 and, thereafter; adopt the federal minimum wage if it exceeds the state level. *[Filed 1/2; now in House Labor & Industry (L&I).]*

HB 54 MINIMUM WAGE INCREASE

(Jenkins et al) – Would increase the state minimum wage level on a graduated basis to \$7.25 by July, 2009 and, thereafter; adopt the federal minimum wage if it exceeds the state level. *[Filed 1/2; now in House Labor & Industry (L&I).]*

HB 55 CAMPAIGN ELECTION REFORM

(Wayne & Stein) – Would amend the state elections laws, including candidate registration requirements, citizen contributions & donations levels, campaign fund transfers and new penalty provisions. *[Filed 1/2; now posted in House Elections, Constitutional Amendments & Intergovernmental Affairs.]*

HB 68 UTILITIES SALES TAX EXEMPTION

(D. Owens) – Would exempt from sales tax sales to owner/operators of multi-unit residential property or mobile home park. *[Filed 1/2; now in House Appropriations & Revenue (A&R).]*

HB 80 TELECOM TAX APPROPRIATIONS

(Crimm) – Would require state to increase the hold-harmless amount of telecom tax earmarked to replace franchise taxes of local gov't. *[Filed 1/2; now in House Appropriations & Revenue (A&R).]*

HB 82 COPPER WIRE THEFTS

(Denham) – In response to increasing theft of copper wire and other products, this bill would require junk dealers to maintain records of copper transactions, report data to local police and increase civil penalties. *[Filed 1/2; now posted in House Judiciary (Jud).]*

HB 123 PSC ELECTRIC METER PROGRAM

(Pullin) – Would require PSC to initiate a pilot program to install new electric meters to evaluate conservation of electric consumption. *[Filed 1/3. House Tourism Development & Energy (TD&E) passed w/cmtte amendment 2/8. Now posted on House floor.]*

HB 148 HIRING OF UNAUTHORIZED ALIENS

(Nelson) – Would prohibit hiring of unauthorized aliens and impose penalties with Homeland Security exemptions. *[Filed 1/2; now in House L&I]*

HB 181 STATE CONTRACTS

(Farmer) – Would reform state contract bidding process, including EEOC, contracting agency authority and bidding amounts. *[Filed 1/4; now posted in House State Government]*

HB 184 BUDGET BILL AUTHORITY

(Moberly) – Would reaffirm GA authority to suspend, modify or repeal other laws in the budget bill. *This provides GA the authority to take surplus funds from the PSC. [Filed 1/4; now posted in House A&R.]*

HB 246 FLORISTS ADVERSITING RESTRICTIONS

(Ford) – Would prohibit misrepresentation of geographic location of floral businesses in telephone directories or other e-directory databases. *[Filed 2/6.]*

HB 261 QUARTERLY RATE INCREASES FOR GAS UTILITIES

(Belcher & Ballard) – Would provide for quarterly rate increases for large gas companies under expedited case review by PSC. *[Filed 2/6.]*

HB 301 CELL PHONE RESTRICTIONS

(Meeks & Burch) – Would restrict use of wireless communications devices in moving vehicle, with exceptions for emergency personnel and hands free mobile phones. *[Filed 2/6; now in House Transportation.]*

HB 360 STREALINED SALES TAX ADOPTION

(Moberly) – Would provide for Kentucky to adopt full provisions of the multi-state streamlined sales tax pact. Communications sales tax provisions impacted. *[Filed 2/7; now posted in House Appropriations & Revenue.]*

HCR 70 PSAP FUNDING STUDY

(Glenn) – Directs the LRC staff (or contracted body) to study local PSAP & 911 funding issues and report to LRC by Dec 07. *[Filed 2/6.]*

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.