

**FINAL ISSUE
of the 2007
REGULAR SESSION**

**Scorecard @ Mar 27
(30/30 days)**

	Senate	House
# bills filed	222	538
# resolutions filed	244	249
# bills passed 1 chamber	44	92
# bills passed both chambers	43	77
# bills into law	32	57
# bills vetoed	0	0

LRC Contact Numbers

Mtg info	800/633-9650
Legislators msg	800/372-7181
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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

The General Assembly adjourned late Tuesday night with few positive results over the final 2 days. The House and Senate failed to compromise on key bills and left Frankfort with too little accomplished and expectations of having to return for a Special Session later this spring.

Placing blame on the lack of substantial session results seemed to be the only action late in the day. In recent sessions, the House Democrats generally acceded to the Senate Republicans on late session bills. This session, however, the House stood firm and refused to compromise on Senate demands, especially the proposed reforms to state employee pension plans. Governor Ernie Fletcher's administration was a minor player throughout the session and was unable to broker any deals. Some said there was an overall lack of leadership in the GA to consider issues outside of politics.

The GA was in stalemate when the House refused to consider the entire *Senate proposed reforms to the state employee pension system.* The Senate plan called for additional funding via a bond issue and a change in the retirement benefit plans for new state employees. The House would agree only to the additional funding portion. The Governor came out in support of the Senate plan even though he had already created a blue ribbon committee to study the entire issue and make recommendations by Dec 1. By forming this committee, he had laid the groundwork for state employee pension reform to be a major issue in the 08GA. The stalemate was that the Senate plan basically superseded the committee while the House was content to wait for the committee report. Other bills were held up in each chamber waiting for action on the state pension issue. It turned out that the failure to reach compromise on the state pension issue led to the failure to act on other bills.

Significant bills left on the table included **HB 5** dealing with alternative energy reform, **HB 262** providing new spending for various projects, including the Wolf Creek Dam area and the Kentucky Horse Park and **SBs 1&2** providing new funding and incentives for math and science educational programs.

Significant bills passed include **HB 207** improving mine safety, **HB 305** raising the minimum wage to the federal level over the next 2 years, **HBs 536&549** providing new economic development incentives, **SB 59** improving job safety for social services workers and **SB 83** raising the speed limit to 70 mph on certain interstates and parkways. Several bills allowing veterans' family members' easier access to health care and education also passed.

Gov. Fletcher has repeated his threat to call a Special Session later this spring to re-consider some of his spending proposals, issues surrounding the Wolf Creek Dam project and the state employee pension issue. The call is expected to be made after the primary elections on May 22 to allow tempers to cool and provide time for additional negotiations. The Governors' race probably has some impact on the timing too.

Telecom Issues

Fortunately, telecom issues were not caught up in the stalemate on state pension reform.

Last week, the Governor signed **SB 74**, a bill authorizing the Department of Local Government to promote statewide broadband development and deployment. The provisions of the bill should also provide *ConnectKentucky* with permanent state funding.

The Governor also signed **HB 82** requiring junk dealers to keep better records of copper transactions and make more complete reports of such transactions to local police. This should help prevent copper theft of facilities or, at least, provide for easier prosecutions.

Other telecom related bills passed and expected to be signed by the Governor. **HB 360** will conform state law to the telecom portion of the multi-state streamlined state sales tax pact not previously adopted. **HB 230** will restrict the use of mobile phones by school bus drivers. It passed the Senate (38-0) on Monday. **HB 430** does away with the state do-not-call list and adopts the national list for compliance with the

state telemarketing laws. The House concurred (98-0) with the Senate version on Monday.

Ins & Outs

GA in a funk over Tubby? It could not be officially confirmed but one reason for the GA's lack of action this week may have been the many side discussions on the pros and cons of the departure of UK basketball coach Tubby Smith to the University of Minnesota. It turns out that the House even generated controversy passing a resolution (**HR 248**) honoring his accomplishments at UK. Although the resolution passed by a 99-0-1 vote, many UK supporters questioned why a representative from Louisville didn't vote?

The Governor has appointed Mark P. Freeman, Bluegrass Cellular, to the CMRS Board as the Tier III carrier representative. Forest M. Skaggs was reappointed as the KTA representative.

Renovations to the *Kentucky Exposition Center* in Louisville are almost complete and will make it the 6th largest facility of its kind in the nation with over 400 acres of exhibit space. New technology will allow exhibitors upgraded telecom services such as variable bandwidths of internet service, the ability to create VPNs, unlimited access to VoIP and hardware rentals. WiFi hotspots will also be located throughout the facility.

Looking ahead. The 2008 session is scheduled to convene Jan 8 for 60 days. Look for many of the same issues to be at the forefront, in addition to the biggest issue – the budget.

Senate Bills & Resolutions

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 (Ag&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 Government passed cmte substitute 2/7. Senate passed 34-0, 2/23. House State Government passed 3/1. Now on House floor w/2 floor amendments.]*

SB 65 SEX OFFENDERS REGISTRATION

(Jones et al) – Would amend required registration information to include internet communications identities. *[Filed 1/5. Senate Judiciary passed 2/8. Senate passed 36-0, 2/13. House Judiciary passed 2/28. House passed 97-0 3/8. Governor signed 3/21.]*

SB 74 CONNECT KENTUCKY FUNDING

(Harris & Boswell) – 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. Senate Ag&NR passed cmtte substitute, 2/15. Senate passed cmtte substitute 36-0, 2/22. Reassigned from House Local Government (LG) to House Tourism Development & Energy (TD&E) 2/27. Cmtte passed telecom supported cmtte substitute 3/1. Floor amendment filed to add another bill matter to this bill. House passed 98-1 w/floor amendment 3/7. Senate concurred 37-0 3/9. Governor signed 3/21.]*

SB 84 CDL DRUG TESTING

(Guthrie) – Would require 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.]*

SB 176 COUNTY OCCUPATIONAL TAXES

(Sanders) – Would remove 1% limit on county occupational taxes for counties with population over 30,000 but less than 300,000. *[Filed 2/13; now in Senate Appropriations & Revenue (A&R).]*

SR 139 CONFIRM PSC COMMISSIONER

(Williams) – Would consent to the appointment of John Clay as a member and vice chair of the PSC for a term ending 7/1/09. *[Filed 3/1. Senate State Government passed 3/7. Senate adopted 38-0 3/8.]*

House Bills & Resolutions

HB 7 IDENTITY THEFT REFORM

(Webb et al) – Would define identity theft, restricts use of social security numbers in general business and government and establishes expedited court process. *[Filed 2/7. House Judiciary passed cmtte substitute, 2/14. House passed 99-0, 2/22. Now in Senate Judiciary.]*

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

(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 A&R.]*

HB 80 TELECOM TAX APPROPRIATIONS

(Crimm et al) – 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 A&R.]*

HB 82 COPPER WIRE THEFTS

(Denham et al) – 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. House Judiciary passed cmtte substitute 2/14. House passed 97-0, 2/16. Senate Judiciary passed 3/6. Senate passed 38-0 3/9. Governor signed 3/21.]*

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. House passed 100-0 w/floor amendment, 2/22. Now in Senate Ag&NR.]*

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 Labor & Industry.]*

HB 181 STATE CONTRACTS

(Farmer) – Would reform state contract bidding process, including EEOC, contracting agency authority and bidding amounts. *[Filed 1/4. House State Government passed 3/1. Recommitted to House A&R 3/9.]*

HB 230 CELL PHONES RESTRICTIONS

(Adams et al) – Would prohibit school bus drivers from using cell phones while driving. Penalties and exceptions are included. *[Filed 1/6. House Education passed 2/20. House passed 96-0 2/27. Senate Judiciary passed 3/9. Senate passed 38-0 3/27. Now w/Governor.]*

HB 246 FLORISTS ADVERSITING RESTRICTIONS

(Ford & Gray) – Would prohibit misrepresentation of geographic location of floral businesses in telephone directories or other e-directory databases. *[Filed 2/6. House L&I passed 2/28. House passed 91-0 3/2. Senate Judiciary passed 3/12. Senate passed 37-0 3/26. Now w/Governor.]*

HB 254 GIFT CARDS

(Burch) – Would prohibit restrictions on use of card cards and require seller to obtain info from buyers. *[Filed 2/6. House Banking & Insurance passed 2/28. Recommitted to House A&R 3/7.]*

HB 261 QUARTERLY RATE FILINGS FOR LARGE GAS UTILITIES

(Belcher & Ballard) – Would provide for quarterly rate reviews & annual adjustment for large gas companies under expedited case review by PSC. There is significant consumer interest opposition, including the AG. PSC position is neutral. *[Filed 2/6. House TD&E heard cmtte substitute on 2/15 & 2/22 but took no vote. Cmtte passed cmtte substitute to create a Task Force to study issue and report by 12/07, 3/1. Recommitted to House A&R 3/7.]*

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 305 MINIMUM WAGE INCREASE

(Gray et al) – Would increase the state minimum wage to \$7.00 on the effective date of the bill, provide for annual increases at least equal to the CPI and abolish the minimum tip credit rule. *[Filed 2/6. House L&I passed cmtte substitute to gradually increase minimum wage to federal level, 2/15. House passed 89-10 after considering 13 floor amendments, 2/21. Senate Economic Development, Tourism & Labor passed w/title amendment 3/6. Senate passed 33-1 3/8. House concurred 93-5 3/12. Governor signed 3/22.]*

HB 334 BUSINESS ENTITIES

(Brinkman) – would update statutes relating to various business entities to make them consistent and equivalent between business types and make technical corrections. *[Filed 2/7. House Judiciary passed 2/21. 2 floor amendments filed. House passed 95-0 3/2. Senate Judiciary passed 3/12. Recommitted to A&R and passed w/2 cmtte amendments 3/26. Senate passed 33-0 3/26. House concurred in Senate version 98-0 3/27. Now w/Governor.]*

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. House A&R passed cmtte substitute 2/14. House passed 99-0 3/1. Taken from Senate A&R on 3/12 and passed Senate 19-13. On reconsideration due to a procedural matter, the Senate passed it again by 23-13. Now w/Governor.]*

HB 430 TELEMARKETING – NATIONAL DO-NOT-CALL LIST

(Combs, Greer & Hoffman) – Would replace the state maintained do-no-call-list with the national list maintained by the FCC. *[Filed 2/12. House TD&E passed 2/15. House passed 100-0 2/22. Senate Aq&NR passed cmtte substitute 3/8. Senate passed 37-0 3/12. House concurred in Senate version 98-0 3/26. Now w/Governor.]*

HB 433 TELEMARKETING – WIRELESS

(Denham) – Would add wireless numbers to the prohibited list in the state telemarketing law. *[Filed 2/12. Now posted in House L&I.]*

HB 437 TELEMARKETING – FAX TRANSMISSIONS

(Glenn et al) – Would prohibit unauthorized fax transmissions under the telemarketing law. *[Filed 2/13. House L&I passed cmtte substitute 2/22. House passed 96-0 3/1. Now in the Senate Judiciary.]*

HB 458 LIMITS LOCAL GOVERNMENT EMINENT DOMAIN AUTHORITY

(DeCesare) – Would limit local government use of eminent domain to public use only (not for private economic development). *[Filed 2/13; now in House Judiciary.]*

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; now in House LG.]*

HCR 126 CONNECTKENTUCKY

(Hoffman et al) – Recognizes ConnectKentucky as the Commonwealth's "information technology resource" for its activities promoting broadband deployment and adoption. *[Filed 2/12. House TD&E passed 2/22. House adopted 98-0 2/27. Senate Ag&NR passed 3/8. Now in Rules.]*

HCR 131 e-SCRAPE TASK FORCE

(Webb) – Directs the LRC to establish a 15-member task force to study recycling e-scrape waste and report to LRC by Dec 07. *[Filed 2/13. House Natural Resources & Environment passed 3/1. Recommitted to House A&R.]*

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.