

**2008
REGULAR SESSION**

Scorecard @ Feb 22
(31/60 days)

	Senate	House
# bills filed	181	615
# resolutions filed	157	157
# bills passed 1 chamber	44	81
# bills passed both chambers	0	1
# 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 8	Session convenes
Feb 25	Last day to have a new bill drafted
Mar 3	Last day to file House bills
Mar 5	Last day to file Senate bills
Mar 28 & 31	Concurrence days
Apr 1 - 11	Veto days (GA not in session)
Apr 15	Session adjourns

The GA passed the mid-point of its 60-day session last week and saw the 1st bill to pass both chambers -- **HB 168** to give persons returning from active military service 90-days to renew an expired driving license. Gov. Steve Beshear is expected to sign the bill into law.

The Governor also filed the last of his major pieces of legislation – *state employee pension reform*. **HB 600** would limit current and future retirees annual COLA to 1.5%, require future employees pay more into their health plans, most to work longer to reach retirement age, and limit the practice of “double dipping” where employees retire from one state job and are rehired into another. The state pension fund covers retirement and health plans for over 430,000 current and retired teachers and state and local employees, faces a \$20-25 billion shortfall and possible insolvency by 2022.

The Governor’s casino bills – **HB 537 & 550** - are also facing tough times, even from his own party in the House. The House task force that had been studying the issue for several months recommended only 9 casinos in the state (with none guaranteed at any horse racetrack) even before committee hearings began last week. The Governor’s proposal was for 12 casinos statewide with 7 at racetracks. Many legislators even question whether the state can support 9 casinos. An early head count revealed that the Governor was 10+ votes short of the required 2/3 majority needed, *indicating that he must make political deals with members of his own party for passage*.

The most likely place for deal making is the budget, **HB 406**. Budget subcommittees continue hearing from administration officials and the public on the impact of the proposed budget cuts. And almost daily, one group or another is holding a rally at the Capitol in support or protest of a bill. Legislators are well aware of these groups because after the rallies many are walking the hallways to buttonhole them and plead their cases, and *they don’t like the heat from voters*.

While waiting on the budget and casino bills, the Senate is considering **SB 1** to revamp the KERA testing process with national tests. The state now uses its own developed tests. The bill is now in the Senate Education Committee.

Rep. Adam Koenig (R-Erlanger) filed **HB 599** to *reform the judicial election process*, but not until 2014. The bill would eliminate judicial

primaries and have voters rank candidates instead of voting for one in an effort to reduce political influence during the election process of judges. The State Board of Elections would score the rankings to determine the winners.

Rep. Leslie Combs (D-Pikeville) filed **HB 563** to require *positive CDL drug tests* are sent to the Transportation Cabinet. The cabinet would have to suspend the CDL license until retesting was clean and fines were paid. The bill is in the House Transportation Committee. A more detailed CDL drug testing bill was filed earlier in the Senate – **SB 162**.

Telecom Issues

The House A&R Committee amended **HB 277** to clarify that the property tax exclusion applied only to radio and television towers, not communications towers, before passing it last week. The bill is now on the House floor.

HB 527, a new statewide school tax, has been posted and may be heard in the House A&R Committee this week. *Utility interests have drafted an amendment to add the current pass-through provisions* now in the local school tax law. The new state school tax is intended to replace the local tax but would also generate substantial new taxes since the local school tax is not used by all school districts.

The House State Government Committee passed **HJR 88** to require the LRC study the *funding of local 911 centers*. Rep. Jim Glenn (D-Owensboro) has filed a KTA sponsored amendment to require a single statewide fee be included in the study. The House is expected to consider the resolution this week.

Supporters of *811 and 911 reform legislation* have indicated that their bills will be filed this week. Rep. Johnny Bell (D-Glasgow) is expected to sponsor the 911 bill.

Ins & Outs

Due to the weather, the GA cancelled its Friday session last week and will make up the day on Mar 28. It turned out that the weather was not as bad as forecasted, and was actually worse the day before while it was in session.

HB 598 was filed to increase the maximum attorney fees in workman's compensation cases from \$12,000 to \$20,000. *Wonder who backs this bill!*

The 2010 World Equestrian Games (WEG) continues to draw attention in Frankfort. The Capitol Projects and Bond Oversight Committee last week *approved \$118 million in tax-exempt bonds to build a new resort-type hotel (Westin) at the Kentucky Horse Park* in time for the WEG. Some hotel officials assert that the assumptions supporting the bonds are too optimistic for the local market and may lead to financial problems at the hotel after the games. Many hotels have looked at building at the State Horse Park in the past but could not make a successful business case. WEG consultants claim a luxury hotel can only be built and succeed with state help.

Bills, bills and more bills. Legislators (or more appropriately, LRC staff) will be hard at work drafting final bills this week. The last day to file House bills is Mar 3; for Senate bills Mar 5.

Senate Bills & Resolutions

SB 1 STUDENT CURRICULUM AND TESTING

(Williams et al) – Would replace the state student achievement testing system with a national system and make other curriculum changes. The current system was developed as part of the KERA reforms. *[Filed 2/19. Now in Senate Education.]*

SB 7 PUBLIC INFRASTRUCTURE AUTHORITIES

(Williams & Roeding) – Would allow local governments to establish public infrastructure authorities to build roads and bridges, issue bonds and set tolls. *The local authority would be similar to a mini DOH. [Filed 1/8. Now in Senate Transportation Cmte w/4 floor amendments filed.]*

SB 106 PSAP EMPLOYEE CLASSIFICATIONS

(Kerr & Buford) – Would clarify law that “dispatch communications personnel” is an employee classifications subject to same rights as other local government employee classifications. *[Filed 1/23. Now in Senate State & Local Gov’t (S&LG).]*

SB 116 PROHIBIT TEXTING WHILE DRIVING

(Harper Angel) – Would prohibit operator from texting while driving and make enforcement a secondary offense. *[Filed 1/28. Now in Senate Judiciary.]*

SB 162 CDL DRUG TESTING AND REPORTING

(Jensen) – Would establish new CDL drug and alcohol test results reporting requirements for employers and medical review officers, including penalties for non-compliance. *[Filed 2/14. Now in Senate Transportation.]*

SR 33 PSC APPOINTMENT

CONFIRMED

(Williams) – Confirm the appointment of Mark David Goss as PSC commissioner and chairman for term ending July 1, 2011. *[Filed 1/16. Senate State & Local Gov’t (S&LG) passed 1/23. Senate adopted 36-0, 1/24.]*

SR 36 PSC APPOINTMENT

CONFIRMED

(Williams) – Confirm the appointment of Carolyn Clark as PSC commissioner for term ending July 1, 2008. *[Filed 1/16. Senate S&LG passed 1/30. Senate passed 32-1-1, 2/6.]*

SJR 76 ELECTRONIC WASTE STUDY

(Harper Angel) – Directs the EPPC Cabinet to recommend a statewide electronic waste disposal and recycling system by 12/15/08. *[Filed 1/28. Senate Agriculture & Natural Resources passed 2/14. Senate passed 37-0, 2/20. Now in House.]*

SJR 80 PRISON REFORM STUDY

(Neal et al) – Would create a commission to study prison reform; report by July 2011. Proposed by Gov. Beshear. *[Filed 1/29. Now in Senate Judiciary passed cmte substitute to reduce the study timeframe, 2/21. Senate floor amendment filed.]*

House Bills & Resolutions

HB 26 LIMITED LIABILITY ENTITY FEE

(DeCesare et al) – Would establish a new \$175 annual fee on corporations and limited liability pass-thru entities. *Exemptions to this new tax include companies exempt under Section 501 of the IRS code. [Filed 1/18. Now in House Appropriations & Revenue (A&R) Cmte.]*

HB 56 MOBILE PHONE RESTRICTIONS

(Burch & Meeks) – Would restrict use of hand-held wireless communications devices with limited exceptions. *[Filed 1/8. Posting waived in House Transportation.]*

HB 69 PUBLIC SERVICE COMMISSION

(Cherry) – Would expand the Executive Branch Ethics law to include the PSC and its orders, and *extend lobbying restrictions to the PSC. [Filed 1/8. Now posted in House State Government (SG).]*

HB 90 PROHIBIT AUTOMATED CALLING IN ELECTIONS

(Higdon et al) – Would prohibit use of automated or recorded messages by political parties and create penalties. *[Filed 1/8. Now in House Labor & Industry (L&I).]*

HB 95 HIRING OF UNAUTHORIZED ALIENS

(Nelson et al) – Would prohibit, among other things, the hiring of unauthorized aliens and create penalties. *[Filed 1/8. Now in House Judiciary.]*

HB 106 COPPER WIRE THEFTS

(Denham et al) – Would expand the reporting requirements of junk dealers for purchases/sales of copper and other “ferrous or nonferrous” metals & materials, transfer of the sale records to local law enforcement, and penalties for non-reporting sales. *[Filed 1/8. Now posted in House Judiciary.]*

HB 125 MOBILE PHONE AND TEXTING RESTRICTIONS

(Stacy) – Would prohibit certain classes of drivers from using “personal telecommunications devices”. *[Filed 1/8. Posting waived in House Transportation.]*

HB 209 UTILITIES SALES TAX EXEMPTION

(Owens) – Would expand the sales tax exemption to sewer, water, & fuel service billed to a multi-unit residential facility or mobile home park owner. *[Filed 1/8. Now in House A&R.]*

HB 212 LEGISLATIVE BRANCH ETHICS

(Cherry) – Would revise and expand the legislative branch code of ethics by restricting acceptable legislators’ and lobbyists activities, restrict campaign donations during elections and expand investigative powers. *[Filed 1/8. Now in House SG.]*

HB 247 UNAUTHORIZED FAX TRANSMISSIONS

(Glenn et al) – Would prohibit unauthorized fax transmissions, establish procedures and opt-out requirements and create penalties. *[Filed 1/10. House L&I passed 1/31. Recommitted to House Banking & Insurance which passed a committee substitute passed 2/13. 5 floor amendments filed; FA1 prohibits prerecorded political messages, similar to HB 90, FA3 expands bill to prohibit certain telephone solicitations. House passed 93-1, 2/19 w/o floor amendments. Now in Senate.]*

HB 250 EXECUTIVE BRANCH ETHICS

(Cherry et al) – Would overhaul the executive branch code of ethics laws, including definition of public service, appointments to and operation of the EBEC. *[Filed 1/10. House SG passed 1/17. House passed w/2 floor amendments 94-0, 1/30. Now in Senate S&LG.]*

HB 257 UTILITY GROSS RECEIPTS TAX FOR SCHOOLS

(Moberly) – Would replace the local utility gross receipts license tax to fund public schools with a new statewide 3% tax, effective 1/1/09. The tax would apply to telecom, cable & satellite, electric, gas & water services. *[Filed 1/10. Now posted in House A&R.]*

HB 277 BROADCAST TOWERS & ANTENNA PROPERTY TAX EXEMPTION

(Webb et al) – Would clarify that television, radio, telephonic and broadcast equipment, including towers and antenna are exempt from local property local taxes, and add weather equipment to the exemption list. *The House cmtte substitute now excludes telecom towers. [Filed 1/10. House A&R passed cmtte substitute, 2/19. Now posted on House floor.]*

HB 279 COPPER WIRE THEFTS

(Harmon & Simpson) – Would expand the reporting requirements of junk dealers for purchases/sales of copper to “ferrous or nonferrous” metals & materials. See HB 106 for more detailed bill. *[Filed 1/11. Now posted in House Judiciary.]*

HB 281 HARRASING COMMUNICATIONS OVER THE INTERENT

(Hoffman & Riner) – Would expand “harassing communications” to include actions via the internet or electronic communications, and penalties for multiple offenses. *[Filed 1/11. Now in House Judiciary.]*

HB 304 ILLEGAL IMMIGRATION

(Damron et al) – Would enact several measures to identify and reduce illegal immigrates, including identify theft measures, employment verification measures and expand local law enforcement authority. *Cmtte mtgs seeking public comments are being held but no vote is scheduled. [Filed 1/16. Now in House Judiciary.]*

HB 314 EMPLOYMENT RIGHTS OF VETERANS

(Greer et al) – Would establish rights to leave on military duty and re-employment rights on return from service; termed the “Kentucky Uniformed Services Employment and Reemployment Rights Act”. *[Filed 1/16. Now in House Seniors, Military Affairs & Public Safety.]*

HB 323 OMIBUS BILL FOR BUSINESS ENTITIES

(Brinkman & Crimm) – A general revision to Kentucky business law to reenact and clarify HB 334 passed in 2007; reflect current provisions of the Model Business Corporation Act, and clarity bidding & contracting provisions. *[Filed 1/17. Now in House Judiciary.]*

HB 326 LICENSE TAXES

(Webb) – Would limit license fees imposed by 2nd-5th class cities to 1.5%, and a flat amount in 6th class cities and establishes new tax bases, but exempts any higher local tax already in effect. *The communications providers’ exemptions remain. [Filed 1/17. Now in House Local Govt.]*

HB 337 PSC PENALTIES

(Wilkey) – Would increase the range of penalties for violations of PSC law and regulations, and create a new penalty of up to \$25,000 for violations resulting in serious bodily injury or death. *PSC sponsored cmte substitute bill expected after mtg with utilities. [Filed 1/22. Now in House Tourism Development & Energy.]*

HB 361 LOCAL SALES AND USE TAX CONSTITUTIONAL AMENDMENT

(Stein) – Would provide for a constitutional amendment in the Nov elections to authorize the GA to impose a local sales or use tax and restrictions. *[Filed 1/24. Posting waived in House Elections, Constitutional Amendments and Intergovernmental Affairs (E,CA&IA).]*

HB 382 COMPARABLE WORTH PAY

(Marzian) – Would prohibit sex-based wage discrimination on jobs of "comparable worth", and sets out the definition of comparable worth. *[Filed 1/28. House L&I passed 2/14. 5 floor amendments filed. Now posted on House floor.]*

HB 406 EXECUTIVE BRANCH BUDGET

(Moberly et al) – Gov. Beshear's budget seeks \$18.2 billion to fund state government for FY 2008-10. *The PSC budget proposal is \$16 million, including returning \$4.75M in surplus funds to the state general fund. [Filed 1/29. Now in House A&R.]*

HB 407 LEGISLATIVE BRANCH BUDGET

(Moberly et al) – Legislative branch seeks \$111.5 million to fund the LRC and GA operations for FY 2008-10. *[Filed 1/29. Now in House A&R.]*

HB 408 JUDICIAL BRANCH BUDGET

(Moberly et al) – Judicial branch seeks \$791.5 million to fund the state courts system in FY 2008-10. *[Filed 1/29. Now in House A&R.]*

HB 443 CIGARETTE TAX INCREASE

(Watkins et al) – Would increase the cigarette tax by 70 cents to \$1.00/pack and increase the tax rates on other tobacco products too. *[Filed 2/1. Now in House A&R.]*

HB 464 COMMUNICATIONS TAX EXEMPTION

(Wilkey) – Would exempt from gross revenues sales for resale to other providers (CLECs). *[Filed 2/5. Now in House A&R.]*

HB 502 PLANNING COMMISSION NOTICE REQUIREMENTS

(Weston) – Would allow for notice of local planning commission actions, including cell tower matters, to be made by first class mail. *[Filed 2/11. Now posted in House LG.]*

HB 506 LOCAL ANNEXATION OF UTILITY INFRASTRUCTURE

(Wilkey) – Would require cities proposing to annex any area with utility infrastructure of another city to notify that city of its proposal. Utility infrastructure is defined as electric, gas water or sewage property. *[Filed 2/11. Now posted in House LG.]*

HB 527 COMMUNICATION TAX

(Crimm et al) – Would require state to increase the hold-harmless amount of the communication tax earmarked to replace local franchise taxes by about \$8 million to \$44 million. Supported by Kentucky League of Cities. *[Filed 2/13. Now House A&R.]*

HB 537 CASINO GAMING

(Hoffman et al) – Would establish the parameters for casino gaming, including locations, fees and allocations for use of tax revenues. *[Filed 2/14. Now in House Licensing & Occupations]*

HB 542 PSC - DISPOSAL OF NUCLEAR WASTE

(Rudy) – Would require nuclear waste disposal plans be in accordance with federal law and regulations. *[Filed 1/28. Now in Senate Judiciary.]*

HB 550 CONSTITUTIONAL AMENDMENT FOR CASINO GAMING

(Owens et al) – Would provide for a constitutional amendment to allow casino gaming be submitted to voters in the fall election; requires 2/3 votes for passage. *[Filed 2/14. Posting waived in House E,CA&IA.]*

HB 553 IDENTIFY THEFT

(Webb et al) – Would increase consumer protection laws for identify theft, security breaches and *phishing*, including requirements for all business entities to provide notice and penalties for non-compliance. *[Filed 2/15. Now in House L&I.]*

HB 563 CDL DRUG TESTING AND REPORTING

(Combs) – Would establish new CDL drug and alcohol test results reporting requirements and require immediate license suspension for positive tests. Also see SB 162. *[Filed 2/19. Now in House Transportation.]*

HB 599 JUDICIAL ELECTION REFORM

(Koenig) – Would change the election process for judges beginning in 2014. *[Filed 2/21.]*

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HJR 88 PSAP (911 CENTER) FUNDING STUDY

(Glenn) – Would require LRC to study funding of local 911 emergency call centers (PSAPs) and report by 12/1/08. *Telecom interests seeking changes to study a combined rate alternative. [Filed 1/31. House Local Government passed 2/19. Telecom supported floor amendment filed. Now posted on House floor.]*

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.