

**2008
REGULAR SESSION**

Scorecard @ Jan 18
(9/60 days)

	Senate	House
# bills filed	94	332
# resolutions filed	54	61
# bills passed 1 chamber	1	4
# 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 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 does not meet today in recognition of the Martin Luther King, Jr. holiday. Both the House and Senate will be in session again tomorrow.

Gov. Steve Beshear surprised many when he didn't announce any new programs or initiatives during his *State of the Commonwealth Address* last Monday. Most Frankfort pundits were also surprised that he didn't mention casino gambling, one of his most significant campaign issues. A lot of the talk in the hallways of the Capitol last week was speculation on what he didn't say.

The Governor set the stage for the budget battles ahead by speaking of the "unprecedented budgetary shortfall", "painful spending cuts in the short run" and "higher taxes as a last resort". The Governor will next address the GA on Jan 29 in his *Budget Address* outlining his budget proposals for the next 2 fiscal years. *With projected revenue shortfalls of up to \$500 million and his opposition to new taxes, don't expect much more than a bare-bones, continuation budget.* The session will then heat up considerably as the House and Senate budget committees begin their reviews of the Governors budget proposals and make their own changes to the budget.

Jan 29 is also the last day to file for the 2008 elections. The GA traditionally does not act on controversial legislation until after this date so that opponents cannot use the vote as an election issue. All 100 House seats and 19 (of 38) Senate seats are up for election.

Last week, the Senate passed its first bill while 4 House bills passed. One of the House bills, **HB 51**, would require colleges to provide materials on managing credit card and other debt to students. The Senate bill, **SB 5**, would eliminate the primary election runoff in the gubernatorial race. Although never used, a runoff would cost the state almost \$5.5 million, an amount the Senate felt the state could not afford.

The legislators study group on casino gambling continued to meet last week. LRC economists testified that casino revenues to the state may be only \$314 million, not the \$500 million Gov. Beshear claimed in the campaign and more recently by the Rep. Harry Moberly (D-Richmond), chair of the House Appropriations and Revenue committee. Although this estimate was based on a previous casino bill, a similar estimate to the Governor proposal would be another budget blow, as well as to the casino issue overall.

Telecom and other utility related bills are expected to be assigned to the House Tourism Development and Energy and Senate Agriculture and Natural Resources committees. The committees' makeups are on page 2.

Telecom Issues

The Senate resolutions to confirm the PSC commissioners appointed since the last session were filed last week. **SR 33 and SR 36** to confirm Mark David Goss and Carolyn P. Clark, respectively, were filed by Sen. David Williams (R-Burkesville). Mr. Goss’s resolution also confirms him as Chairman. Ms. Clark’s term would end in July since she was named to complete the term of Greg Coker, who had resigned last August.

A cross section of utilities are coming together to seek changes in **HB 257**, to establish a new 3% state gross utilities tax which would replace the current local tax. Of particular concern is ensuring that the current pass-through provisions are retained. The bill’s sponsor, Rep. Harry Moberly, deleted that provision.

ConnectKentucky is working on a bill that will provide tax incentives to carriers to deploy and consumers to subscribe to broadband in the few unserved areas left in the state. ConnectKentucky reports that over 95% of the state has broadband service available – either by telecom, cable, or satellite.

Legislation on 911 is also expected to be filed to address the local PSAPs financial concerns due to the decline in wireline access lines and growing wireless call volume.

Ins & Outs

Send your budget ideas to the Governor. Gov. Beshear has so many budget problems that he has appealed to state employees and joe citizen for ideas. He made the pitch in his *State of the Commonwealth address* last week and followed it

up with an email to state employees. A web site has also been established.

Golfers have political muscle too. **SB 93** will allow golf carts on highways under conditions set by local governments. The carts can’t go more than 20 mph nor have over 6 occupants. Whatever happened to the 4-some?

PSC merry-go-round. The 4 non-merit employees fired earlier this month have been re-hired. Beth O’Donnell, Executive Director, David Samford, General Counsel, Phillip Cave, Director of Financial Analysis and Martin Hall, Commission Advisor, are back at work. Evidently the process used by the new administration to fire them was not consistent with state law or regulations. *Look for more action by the administration to get its way in the end.*

House Tourism Development & Energy Cmte

Chair – Eddie Ballard (D-Madisonville)
 Vice Chairs – Ancel Smith (D-Leburn), Brandon Smith (R-Hazard) & Ron Weston (D-Fairdale)
 Members – Royce Adams (D-Dry Ridge), Larry Belcher (D-Shepherdsville), 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 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)

Senate Bills & Resolutions

SB 7 PUBLIC INFRASTRUCTURE AUTHORITIES (Williams) – 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.]*

SR 33 CONFIRM PSC COMMISSIONER

(Williams) – Confirm the appointment of Mark David Goss as PSC commissioner and chairman for term ending July 1, 2011. *[Filed 1/16.]*

SR 36 CONFIRM PSC COMMISSIONER

(Williams) – Confirm the appointment of Carolyn Clark as PSC commissioner for term ending July 1, 2008. *[Filed 1/16.]*

House Bills & Resolutions

HB 26 LIMITED LIABILITY ENTITY FEE

(DeCesare) – 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 CELL PHONE RESTRICTIONS

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

HB 69 EXECUTIVE BRANCH ETHICS

(Cherry) – Would clarify that PSC decisions be included in “agency decisions” in the executive branch ethics law 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) – Would prohibit use of automated or recorded messages by political parties and create penalties. *[Filed 1/8. Now in House Labor & Industry.]*

HB 95 HIRING OF UNAUTHORIZED ALIENS

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

HB 106 COPPER WIRE THEFTS

(Denham & Combs) – 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 CELL PHONE AND TEXTING RESTRICTIONS

(Stacy) – Would prohibit certain classes of drivers from using “personal telecommunications devices”. *[Filed 1/8. Now 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) – Would prohibit unauthorized fax transmissions, establish procedures and opt-out requirements and create penalties. *[Filed 1/10. Now in House Labor & Industry.]*

HB 250 EXECUTIVE BRANCH ETHICS

(Cherry & Vincent) – 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. Now in Rules.]*

HB 257 GROSS UTILITIES RECEIPTS TAX FOR SCHOOLS

(Moberly) – Would establish a 3% gross utilities receipt tax on utilities services (telecom, cable & satellite, electric, gas & water) to fund public schools in the Commonwealth, effective 1/1/09. *[Filed 1/10. Now 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. *[Filed 1/10. Now in House A&R.]*

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 in House Judiciary.]*

HB 281 HARRASING COMMUNICATIONS OVER THE INTERENT

(Hoffman) – 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 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) – 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 clarify bidding & contracting provisions. *[Filed 1/17.]*

HB 326 LICENSE TAXES FOR 2ND-6TH CLASS CITIES

(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.]*

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.