

**2008
REGULAR SESSION**

Scorecard @ Mar 7
(41/60 days)

	Senate	House
# bills filed	256	775
# resolutions filed	186	210
# bills passed 1 chamber	69	94
# bills passed both chambers	1	12
# bills into law	0	3
# 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 26	Last day to have a new bill drafted
Mar 4	Last day to file House bills
Mar 6	Last day to file Senate bills
Mar 28 & 31	Concurrence days
Apr 1 - 11	Veto days (GA not in session)
Apr 15	Session adjourns

This GA session has been unusual and largely unproductive to date. Normally, the democratic-led House is battling the Republican-led Senate on issues and ideas. This session, however, the battle is between Gov. Steve Beshear and his own party in the House – and *the Governor appears to be losing.*

His *casino amendment bill (HB 550)* is on the House floor without the votes to pass because House leadership is split on the issue. Late last week, House democrats began debating several revenue measures to his *budget bill (HB 406)* in order to restore proposed spending cuts. The Governor objected and endorsed a different plan but that was quickly rejected by House leadership. House Speaker Jodie Richards (D-Bowling Green) said the Governor’s budget cuts “makes you sick” while House A&R chair Harry Moberly (D-Richmond) called the Governor’s revenue plan “irresponsible” and said that he needed an “attitude adjustment”. *A compromise must be reached this week or the budget may not pass this session.*

Meanwhile, Senate Republicans are waiting to get their hands on these bills, and if past sessions are any indication, look for them to make significant changes too. *It is clear that the Governor’s agenda is in trouble this session. Many believe he waited too long to push his bills and has failed to recognize (or accept) the roles of the Governors office and legislature today.* The GA has become a much more independent body since Beshear was last in Frankfort as Lieutenant Governor.

The Senate did pass **SB 1** to replace the CATS testing with national tests in the public schools. The Governor is opposed and promised to veto the bill. The Senate also passed **SB 32** requiring schools to offer programs to entice students to stay in school. The programs would focus on career and technical educational options. This bill requires new funding so its outcome in the House is also in doubt.

In a highly unusual move, an environmental bill opposed by the coal industry was piggybacked onto **HB 526** by Rep. Moberly and heard in his House A&R Committee last week, although no vote was taken. The original bill, **HB 164**, had been stalled in the House Natural Resources and Environment Committee. *Look for payback!*

Telecom Issues

HJR 88 is now in the Senate Appropriations and Revenue Committee, although some supporters had expected the bill would be sent to the State and Local Government Committee. The resolution requires the LRC study the funding of local 911 call centers, including a combined 911 fee. The bill was endorsed by the CMRS Board last week.

The House Judiciary Committee passed a committee substitute to **HB 106**, the *copper theft* bill. The sponsor, Rep. Michael Denham (D-Maysville) agreed to changes proposed by the scrap metal industry to move the bill. The bill is now on the House floor.

A committee substitute to **HB 649** passed the House Seniors, Military Affairs and Public Safety Committee last week. The bill recognizes a single, PSC designated state one-call center to receive 811 calls, tightens the requirements for both excavators and underground facility owners, and imposes new penalties for non-compliance with the *call-before-you-dig law*.

Rep. Johnny Bell (D-Glasgow) filed the long expected *911 bill* last week. **HB 725** would authorize local governments to designate an entity other than the telco to collect the 911 fee, combine the spending limits of the separate wireline and wireless fees, remove the CMRS Administrator from the CMRS Board, double the grant fund to \$4 million and allow the Board to raise the wireless fee under certain conditions. The primary promoter of the bill is the Kentucky Emergency Numbering Association

(KENA). The CMRS Board has endorsed the wireless portions of the bill and the provision combing the spending limits. *Look for considerable opposition from other utilities on the collection agent provision.*

Ins & Outs

Guess who supports this bill? **HB 707** restricts the transportation of a body to be cremated to funeral home staff and with authorization by the county coroner. Crematory staff would only be able to transport the remains after cremation.

Even plumbers need continuing education. **HB 745** requires plumbers to obtain 6 hours of training prior to license renewal. In case you are wondering, the State Office of Housing, Buildings and Construction provides training programs.

More competition in the utility biz? The PSC will be mandated to require more local retail gas competition if **SB 230** passes. Local gas competition is now allowed in some areas and has been supported in the past by the PSC.

Local issue goes to Frankfort? While the PSC held hearings on the Lexington water expansion project last week, Rep. Carl Rollins (D-Versailles) filed **HB 737** to give the PSC more authority to require a water company give more consideration to purchasing water instead of building new plant. The Kentucky American Water Company has proposed a new water supply plant on the Kentucky River and has turned down an offer by the Louisville Water Company to supply Lexington and other cities. This is a big local issue.

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 (called CATS) was developed as part of the KERA reforms. *Senate passed the bill on party line vote; not likely to be considered in the House. [Filed 2/19. Senate Education Cmte passed 3/6. Senate passed 22-15, 3/7.]*

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. HB 689 provides similar state authority. *The sponsor has indicated he would not call bill. [Filed 1/8. Now in Senate Transportation. 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. Reassigned to Senate Judiciary from State & Local Gov’t (S&LG), 3/6.]*

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.]*

SB 230 PSC – GAS COMPANY COMPETITION

(Thayer) – Would require PSC to mandate retail gas competition under certain conditions. *[Filed 3/4. Now in Senate Ag&NR.]*

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 adopted 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 (Ag&NR) passed 2/14. Senate adopted 38-0, 2/20. House Natural Resources & Environment passed 3/6. Now in Rules.]*

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. Senate Judiciary passed cmte substitute to reduce the study timeframe, 2/21. Senate adopted w/2 floor amendments 38-0, 3/4. Now in House.]*

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 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. *Cmte tabled the bill after testimony. [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 THEFT

(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. *The cmte sub removes ferrous materials from reporting requirements. [Filed 1/8. House Judiciary passed cmte substitute 3/5. Now on House floor.]*

HB 125 MOBILE PHONE AND TEXTING RESTRICTIONS

(Stacy) – Would prohibit certain classes of drivers from using “personal telecommunications devices” to cover voice, data & texting. *[Filed 1/8. House Transportation passed cmte sub 2/26. House passed w/2 floor amendments 95-0, 3/4. Now in Senate 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. House passed 93-1, 2/19. Now in Senate Ag&NR.]*

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. *The cmte chair indicated he would not call the bill. [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 cmte substitute excludes telecom towers. [Filed 1/10. House A&R passed cmte substitute, 2/19. House passed 95-0 2/26. Now in Senate 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 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. *Cmte 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 (S,MA&PS).]*

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 clarify bidding & contracting provisions. *[Filed 1/17. House Judiciary passed 3/7.]*

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 Government (LG).]*

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 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. *The Governor and House leadership are split on revenue measures in the budget bill. [Filed 1/29. Now posted 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 posted 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 posted 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. House LG passed 3/4. Now on House floor.]*

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 in House A&R.]*

HB 537 CASINO GAMING

(Hoffman et al) – Governor's bill to establish the parameters for casino gaming, including locations, fees and allocations for use of tax revenues. Companion bill to HB 550. *[Filed 2/14. Now in House Licensing & Occupations]*

HB 542 PSC - DISPOSAL OF NUCLEAR WASTE

(Rudy & Nesler) – Would require nuclear waste disposal plans be in accordance with federal law and regulations. *[Filed 1/28. Now in House TD&E.]*

HB 550 CONSTITUTIONAL AMENDMENT FOR CASINO GAMING

(Owens et al) – Governor's bill for a constitutional amendment to allow casino gaming be submitted to voters in the fall election; requires 2/3 votes for passage. *House leadership is split on cmte sub; w/o agreement, enough votes for passage is unlikely. [Filed 2/14. House E,CA&IA passed cmte sub 2/28. 9 floor amendments filed.]*

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. Reassigned to House Judiciary from L&I 2/28; posting waived.]*

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. Posting waived in House Transportation.]*

HB 599 JUDICIAL ELECTION REFORM

(Koenig) – Would change the election process for judges beginning in 2014. *[Filed 2/21. Now in House E,CA&IA.]*

HB 600 PUBLIC EMPLOYEE RETIREMENT REFORM

(Cherry et al) – Governor's bill to amend the public employee pension system by increasing fees and reducing benefits, primarily to future hires. House passed floor amendments to add similar provisions of the retirement plans for judicial and legislative branch. *[Filed 2/21. House SG passed cmte sub 2/26. House passed w/4 floor amendments 96-0, 2/28. Now in Senate S&LG.]*

HB 649 UNDERGROUND FACILITY DAMAGE PREVENTION - 811

(Webb-Edgington et al) – Would amend the current 811 law to recognize a state one-call center, tighten requirements for both facility owners and excavators, and expand penalty provisions. *[Filed 2/27. House S, MA&PS passed cmte substitute 3/5. Now in Rules.]*

HB 689 PUBLIC INFRASTRUCTURE AUTHORITIES

(Pasley et al) – Would establish a new state Public Transportation Infrastructure Authority to manage mega projects, including authority to contract, issue bonds and finance (tolls). SB 7 provides local authority some similar projects. *[Filed 2/29. House A&R passed 3/5. 2 floor amendments filed. Now on House floor.]*

HB 704 TAX CLARIFICATIONS & NEW UTILITY SCHOOL TAX PENALY

(Moberly) – Would clarify and amend various sections of tax laws; *establish new penalty procedures on utilities for school tax billing errors.* *[Filed 3/3. House A&R passed 3/7.]*

HB 716 PSC - ELECTRIC UTILITY PLANNING REQUIREMENTS

(Pasley & Moberly) – Would require the PSC to study electric utility emissions reduction plans, including demonstration projects, cost recovery procedures and issue biennial reports. *[Filed 3/3. Now in House TD&E.]*

HB 725 911 REFORM

(Bell et al) – Would amend 911 law to allow other entities collect the landline 911 fee, limit uses of 911 funds and reform CMRS Board & operations, including wireless fee authority. *[Filed 3/4. Now in House S,MA&PS.]*

HB 763 TV BROADCASTS

(Rasche) – Would require television & cable providers to offer all non-HD TV programming on channels 2-99 in analog format until 2017. *[Filed 3/4.]*

HB 775 INTERNET USER REQUIREMENTS

(Couch) – Would require use of real names/address on internet sites and blogs, and establish new penalties on webmasters for non-compliance. *[Filed 3/4.]*

HJR 88 PSAP (911 CENTER) FUNDING STUDY

(Glenn & Webb-Edgington) – Would require LRC to study funding of local 911 emergency call centers (PSAPs) and report by 12/1/08. CMRS Board has endorsed. *[Filed 1/31. House Local Government passed 2/19. Telecom supported a floor amendment to require study of a combined 911 fee. House adopted w/floor amendment 87-1, 2/29. Now in Senate 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.