

## Bill Tracker as of 3/21/2017

### 2017 Regular Session – Part II

For more information, visit <http://www.lrc.ky.gov/record/17RS/record.htm>

#### Competitiveness/Business Climate

##### **PASSED BILLS**

- **Alcohol Modernization (HB 100)**: Supported by the Kentucky Distillers Association, the bill modernizes laws to level the playing field for distillers, strengthen the production standards for Kentucky whiskey and allow the sale of vintage bottles. Passed the House (57-25), passed the Senate (30-6) and delivered to the Governor for signature.
- **Telecommunications Modernization (SB 10)** would modernize Kentucky's out of date telecommunications laws which stifle growth and economic development. Passed Senate (35-1), passed the House (79-13) and delivered to Governor for signature.
- **Real ID Licensing (HB 410)**: Allows voluntary travel-friendly ID for domestic air travel to comply with federal Homeland Security law. Acceptable forms of ID include: passports, volunteer travel ID and supplemental forms of ID to accompany a driver's license. **Passed the House (77-19), passed the Senate (26-11) and delivered to the Governor for signature.**
- **Judgement Interest Rate (HB 223)**: Lowers the interest rate compounded on a judgement from 12% to 6%. Passed the House (66-30), passed the Senate (36-1) and delivered to the Governor for signature.
- **Workers' Compensation Nominating Commission Reorganization (HB 299)**: Makes changes to the commission that nominates administrative law judges for appointment by the Governor. Passed the House (69-20), **passed the Senate (23-12) and delivered to the Governor for signature.**
- **Dog Bites/Property Owner Protections (SB 99/HB 112)**: Protects property owners from lawsuits related to dog bites. SB 99 passed the Senate (32-4) and awaits action in the House Judiciary committee. HB 112 passed the House (87-9), **passed the Senate (32-5) and was signed by the Governor.**
- **Criminal Justice Reform (SB 120)**: Makes several changes to criminal justice system including sentencing requirements and removes the prohibition on convicted felons for applying for a professional license. Passed the Senate (35-1), **passed the House (85-9) with an amendment and awaits final action in the Senate before going to the Governor for signature.**
- **Public Private Partnerships (SB 187/HB 390)** makes technical revisions to the P3 law that was passed in 2016. The bill language was added to HB 390. HB 390 passed the Senate (36-2), **passed the House (68-25) and was delivered to the Governor.**
- **Franchises (SB 151)**: Seeks to protect the franchisor-franchisee relationship, codifies the joint employer standard and protects businesses from certain joint employment claims. Passed the Senate (26-9), **passed the House (62-26) and signed by the Governor.**
- **Public Benefit Corp (HB 35)**: Allows for businesses to incorporate as a public benefit corporation (b corp). **Passed the House (78-17), passed the Senate (37-1) and signed by the Governor.**
- **Small Farm Wineries (HB 183)**: Modified alcohol laws to help increase competitiveness for small farm wineries. Passed the House on concurrence (60-26), passed the Senate with amendments (30-6) and delivered to the Governor.

##### **WATCH LIST**

- **Workers' Compensation (HB 296)**: Improves the efficiency of the workers' comp system to contain rising medical costs and encourage a quick return to work for injured employees. Passed the House (58-40) and awaits action in the Senate Economic Development, Tourism & Labor Committee.
- **Private Attorney Contracting Transparency (HB 281)**: Creates an open and transparent process of hiring outside contingency fee counsel by the Attorney General. Passed the House (62-32) and awaits action by the Senate Judiciary committee.
- **Limited Liability Corps (SB 235)**: Clarifies statutes related to LLC based on uniform amendments made nationwide. **Passed the Senate (36-0), passed the House Small Business & IT Committee and awaits a House floor vote.**
- **Planning and zoning (HB 72)**: Requires the filing of a bond when appealing a circuit court decision related to planning and zoning. Allows the judge to set a bond in order to recover costs associated with delay. **Passed the**

House (63-32) and passed the Senate with an amendment but the House refused to concur. A conference committee is expected to meet the last two days of session to work out differences.

- **Use of Drones** ([HB 291](#)): Defines prohibited and permitted uses of drones. Passed the House (99-0), **passed the Senate Judiciary committee but awaits action on the Senate floor.**
- **Administrative Regulations** ([HB 332](#)): Delay the effective date of ordinary administrative regulations with a major economic impact (\$500,000 or more annual impact) until the effective date of legislation ratifying the administrative regulation. Passed the House State Government Committee and awaits a House floor vote.

### **UNLIKELY TO PASS**

- **Construction material mandate** ([HB 30](#)): Requires construction materials, such as iron and steel, to be produced in the United States, regardless of cost or availability. Awaits a hearing in the House State Government committee. It is doubtful this bill will move.
- **Cyber Security** ([SB 59](#)): Related to requirements for data security for state agencies and breaches in businesses. Awaiting action by the Senate Judiciary Committee. It is doubtful this bill will move this session.
- **Misclassification penalties** ([HB 196](#)): Adds penalties against business of which there is not a clear definition of an independent contractor. Awaits a hearing in the House Economic Development and Workforce Investment Committee.
- **Mandates on Business** ([SB 33](#)/[HB 178](#)/[HB 179](#)/[HB 201](#)/[HB 303](#)/[HB 420](#)) puts unnecessary mandates on business. Filed but not heard.
- **Workplace Discrimination for Pregnancy** ([SB 172](#)): Amends existing state workplace discrimination laws to include reasonable accommodations for pregnancy and related conditions. Assigned to the Senate Judiciary committee.
- **Religious Freedom/Public Restroom Bills** ([HB 105](#)/[HB 106](#)/[HB 141](#)): The chamber discourages any discriminatory legislation that would hinder Kentucky's economic competitiveness. Filed in House.
- **Wages and Hours** ([SB 237](#)): Conforms wage and hour laws with the Federal Fair Labor Standards Act. Awaits action by Senate Economic Development, Tourism and Labor committee.
- **Immigration** ([HB 501](#)): Requires employers to keep permanent records as to legal status, as opposed to checking the proper paperwork at the point of hiring. Places harsh penalties and employers could be faced with a felony if not complied.
- **Juvenile Justice Reforms** ([SB 20](#)): Makes the juvenile justice system fairer by addressing the issue of juveniles being treated differently in the system. Passed the Senate Judiciary Committee and awaits a Senate floor vote.
- **Felony Expungement** ([SB 16](#)): Allows some Class D felonies that were not included in the 2016 law, to be eligible for expungement after a ten-year waiting period. Awaits a hearing in Senate State & Local Government Committee.
- **Felony Expungement** ([HB 328](#)): Allows for additional offenses to be eligible for expungement and reduces the filing fee for expungement from \$500 to \$200. Awaits a hearing in the House Judiciary Committee.

## **Tax and Pension Reforms**

### **PASSED BILLS**

- **Pension Transparency** ([SB 2](#)): Requires more transparency and accountability for the state pension systems, including fees and transactions with third-party services. Passed the Senate (37-0), passed the House (99-0) and signed by the Governor.
- **Taxpayer Rights** ([HB 245](#)): Allow the Commissioner to respond to the public's and taxpayer questions and publish responses. Passed the House (99-0), **passed the Senate (37-0) and delivered to the Governor.**
- **Pension Spiking** ([SB 104](#)): Provides some relief for our growing pension problem by ending spiking of pension benefits. Passed the Senate (37-0), **passed the House (72-12) and delivered to the Governor.**
- **Pension Systems** ([HB 351](#)): Clarifies conditions and assumptions for determining the employer's (quasi-governmental entities) cost to cease participation in the state pensions systems and buy-out liabilities. Passed the House (64-18), **passed the Senate (37-1) and delivered to Governor.**

### **UNLIKELY TO PASS**

- **Tax reform** ([HB 263](#)): Creates a personal property tax on manufacturing equipment, retail inventory, and raw materials including distilled spirits. The bill would make Kentucky a "throwback" state meaning businesses that

generate income in another state but aren't taxed by that state could be subject to an additional tax in Kentucky. It requires combined reporting which arbitrarily decides how a state determines the corporate income tax base for a multi-state corporation. Awaiting action by the House A&R committee.

## **Education and Workforce**

### **PASSED BILLS**

- **Workforce Investment Transparency** ([HB 189](#)): Brings more oversight and transparency to the state's area development districts by establishing new hiring and reporting procedures. **Unanimously passed the House and Senate, and signed by the Governor.**
- **Education Omnibus Bill** ([SB1](#)): Reforms various aspects of Kentucky's education system including the establishment of a review process of state standards and accountability systems. Several responsibilities are transferred from the Kentucky Department of Education to local school districts. Passed the Senate (35-0), passed **the House (94-0) and delivered to the Governor.**
- **Charter Schools** ([HB 520](#)): Creates a process for establishing public charter schools statewide to include authorizers, accountability, standards, governance, certified teachers and equitable student funding. Local school boards would be the primary authorizers with the option for the Mayors in Louisville and Lexington to be authorizers. It includes with an appeals process to the Kentucky Board of Education. **Passed the House (56-39), passed the Senate (23-15) with amendments, and delivered to the Governor.**
- **Executive Branch Budget** ([HB 471](#)): Makes changes to the FY 16-17 Executive Branch Budget including an amendment with the funding allocations for public charter schools. **Passed the House (61-34) on concurrence, passed the Senate with amendment (24-12) and delivered to the Governor.**
- **Performance Based Funding** ([SB 153](#)): Ties the states investment in higher education to an institutions ability to meet key **outcomes.** Passed the Senate (36-1), **passed the House (65-29) and delivered to the Governor.**
- **University Boards** ([SB 107](#)): Permits the Governor to add or remove public university board members. Passed the Senate 32-6, **passed the House (60-33) and delivered to the Governor.**
- **School Calendar** ([SB 50](#)): Establishes calendar committees that make recommendations to local school boards. If a school board schedules the first student attendance day no earlier than the Monday closest to August 26, the district receives flexibility in how they achieve their required instructional hours. Passed the Senate (33-1) and passed the House (77-18). Heads to the Governor for signature.
- **Alternative certification** ([SB 117](#)): Paves the way to allow Veterans with a bachelor degree (and who meet other additional criteria) to be issued a provisional teaching certificate. Passed the Senate (37-0), passed the House (85-7) and signed by the Governor.

### **WATCH LIST**

- **Essential Skills** ([HB 454](#)): Requires that Kentucky students receive instruction on "essential skills" and display these skills to graduate. The bill also requires that all students receive annual instruction in drug awareness and prevention. Passed the House (72-21) and awaits action by the Senate Education Committee. (Has 2 of 3 required readings).
- **Dual Credit Scholarship Program** ([HB 206](#)): Creates the Dual Credit Scholarship Program to help students enroll in a dual credit course for general education courses and career and technical education courses that leads to an industry-recognized credential. **Passed the House (96-0) and awaits a Senate Education Committee hearing.** (Has 2 of 3 required readings).
- **KEES Scholarships** ([HB 62](#)): Provides KEES money to students enrolled in a registered apprenticeship program. Awaiting a hearing in House Education Committee.

### **UNLIKELY TO PASS**

- **Scholarship Tax Credit** ([SB 102](#)/[HB 162](#)): Creates scholarship tax credits that would allow individuals, businesses, and banks to contribute money to a 501(c)(3) scholarship granting organization and in return, donors will receive a tax credit to offset their state tax liability. Filed and awaiting hearing in respective A&R committees.
- **School Assessment Reporting** ([HB 25](#)): Requires school districts to display a report of the aggregate percentage of students meeting or exceeding standards on specified assessments prominently on their website. Awaiting a hearing in House Education Committee.

- **Teacher Certification** ([SB 80](#)): Deletes the requirement for teachers to start getting their master's degree within five years of beginning their teaching careers and to finish it within 10 years. Incentives and professional development remain. Awaiting a hearing in Senate Education Committee.
- **Apprenticeships** ([HB 422](#)): Creates a tax credit for small businesses that have an apprenticeship program. Awaits a hearing in the House A&R Committee.
- **Work Ready Scholarships** ([HB 205](#)): Establish the Work Ready Kentucky Scholarship program to help students who have not earned a postsecondary degree attain an industry-recognized degree, certificate, or credential. • **Financial Literacy** ([SB 106](#)): Requires the Department of Education to develop and implement the Kentucky Financial Literacy Program and requires a high school student to complete instruction in financial literacy prior to graduation. Passed out of the Senate Education committee and awaits a Senate floor vote.

## Healthcare

### **PASSED BILLS**

- **Medical Review Panels** ([SB 4](#)): Establishes the framework for utilizing medical review panels to avoid unnecessary and costly litigation. Passed the Senate (23-13), passed the House (51-45) with floor amendments and signed by the Governor.
- **Tobacco Cessation Programs** ([SB 89](#)): Requires insurance coverage for tobacco cessation programs. Passed the Senate (35-2), **passed the House (90-1) and delivered to the Governor.**
- **Nursing Home Advertising** ([SB 150](#)): Requires fair treatment of nursing homes by advertisers. Passed the Senate (25-12) passed the House (95-0) with amendment and Senate concurred, and delivered to Governor.

### **WATCH LIST**

- **Medical Review Organization** ([SB 18](#)): Protects confidential information such as employee reviews and evaluations from being provided as evidence in a civil action. Passed the Senate (22-12) and passed the House Judiciary committee and awaits a House floor vote.
- **Drug Offenses** ([HB 333](#)): Makes it a felony to illegally sell or distribute fentanyl, carfentanil and related drugs. The bill passed the House (96-1) and awaits action by the Senate Judiciary Committee.

### **UNLIKELY TO PASS**

- **Mail Order Pharmacies** ([HB 365](#)): Prohibits insurers from requiring the use of mail-order pharmacies, which would lead to increased costs. Awaits a hearing in the House Health and Family Services Committee.

## Energy and Environment

### **PASSED BILLS**

- **Nuclear Energy** ([SB 11/ HB 90](#)): Lifts the ban on nuclear power plant construction in Kentucky. Passed the Senate (27-8), **passed the House (65-28) and delivered to the Governor.**
- **Coal Mine Permit** ([HB 234](#)): Amends the requirements for permitted areas relating to coal mining. Passed the House (87-0), **passed the Senate (36-2) and delivered to the Governor.**
- **Energy and Environment** ([SB 249](#)): Makes several changes to boards and commissions associated with the Energy and Environment Cabinet and requires full payment of water permit application fees at time of filing. Passed the Senate (36-1), **passed the House (64-29) and delivered to the Governor.**
- **Radiation** ([SB 248](#)): Clarifies the definition of Naturally-Occurring Radioactive Material and Technologically Enhanced Naturally-Occurring Radioactive Material. **Passed the full Senate (37-0) and passed the House (92-1) and delivered to the Governor.**

### **UNLIKELY TO PASS**

- **Energy Mandates** ([HB 338](#)): Requires retail electric suppliers to meet a certain percentage of electricity demand with renewable resources and energy efficiency. Assigned to the House Natural Resources and Energy Committee.
- **Planning and Zoning Requirements** ([HB 392](#)): Requires that electric generating systems under 10 MW be compliant with local planning and zoning requirements. Passed the House Local Government Committee and awaits a House floor vote.

- **Municipal Utilities** ([HB 181](#)): Allows municipally-owned utilities to join together to buy and sell electricity and natural gas. Assigned to the House Natural Resources and Energy Committee.
- **Net metering** ([SB 214](#)): Increases the cap on net metered systems from 30 kW to 1 MW while also allowing the utility to collect costs necessary to serve the customers of net metered systems. Failed to get action by the Senate Natural Resources and Energy committee.
- **Election of Public Service Commissioners** ([SB 167](#)): Increases in the number of commissioners from 3 to 7 and requires their election. Assigned to the Senate Natural Resources and Energy committee.
- **Smart Meter opt out** ([SB 121](#)): Requires notice to customer for installation of smart meters and provides an opt-out for customers. Assigned to Senate Natural Resources and Energy committee.
- **Carbon Credits** ([HB 438](#)): Allocates and sets forth the management of carbon credits provided through the Clean Air Act.
- **Public Service Commission Decisions** ([SB 225](#)): Allows ratepayers to appeal by petition decisions of the PSC and requires commissioners to retain their position through election of the voters. Assigned to the Senate Natural Resources and Energy committee.
- **Reconsideration of Public Service Commission Orders** ([HB 455](#)): Requires review of orders that involve multistate transactions. Assigned to the House Natural Resources and Energy Committee
- **Workers' Compensation Funding Commission** ([HB 377](#)): Allows for the Workers' Compensation Funding to contract with outside investment firms. Passed the House (69-20) and passed the Senate Economic Development Committee. Awaits a Senate floor vote. Recommitted to the Senate ED Committee.