



March 17, 2023

Legislative Report No. 8

2023 Kentucky General Assembly

Yesterday concluded the twenty-eighth legislative day of the 2023 Session of the Kentucky General Assembly. There has been a total of 526 senate and 685 house bills and resolutions filed. There are only two legislative days left in this session. The General Assembly is now in recess for the ten-day veto period then will reconvene for the final two days on March 29.

Some bills of interest:

[HB 4: J. Branscum – AN ACT relating to merchant electric generating facilities and making an appropriation therefor.](#)

This bill would require solar development companies to establish a decommissioning plan in an application for construction of a merchant electric generating facility. It would also require a decommissioning bond or similar security to complete the decommissioning plan. This bill would require Energy and Environment Cabinet oversight and that the bond be reviewed at least every five years. This bill would also clarify that an ordinance, permit, or license issued by a local government shall have primacy over all requirements. The bill was amended in the Senate to require notice by the surety if a bond will be lapsing or canceled and allow for an opportunity for the stakeholders to cure the lapse or cancellation and clarify that lease terms with the landowner are not discretionarily accommodated by the applicant. For more information on HB 4 please [click here](#). This bill passed the Senate 25-10-1 with [Senate Committee Substitute 1](#) and [Senate Floor Amendment 1](#). The House concurred with the Senate amendments and voted final passage 83-14. This bill now heads to the Governor for his signature.

2023 KFB State Priority Issues:

"Support a decommissioning bond on all commercial solar projects. These bonds should be reviewed at least every three years."

"Support oversight of ownership and control for energy infrastructure."

SB 54: J. Carpenter – AN ACT relating to Kentucky educational excellence scholarships.

This bill would define "proprietary school" and "qualified proprietary school program" and allow use of KEES funds for enrollment in a qualified proprietary school program. Changes were made in the House Education Committee to also allow KEES to be used for a workforce solutions training program offered by the Kentucky Community and Technical College System and approved by the authority or at an eligible college of art and design. This bill passed the House 93-0 and the House amendments were concurred by the Senate by a vote of 32-0. The bill now heads to the Governor for his signature.

2023 KFB State Priority Issue:

"Support the Kentucky Educational Excellence Scholarship (KEES) Program to allow eligible students to use funds at proprietary schools."

HB 450: J. Blanton – AN ACT relating to the establishment of a grant program to promote investments in Kentucky businesses, making an appropriation therefor, and declaring an emergency.

This bill would establish the Kentucky Rural Jobs Act of 2023, which would allow the Cabinet for Economic Development to begin accepting applications from entities seeking approval as a growth fund. This bill would allow no more than \$50 million of grants to be awarded as state matching capital for investments in growth businesses and establish the Rural Jobs Development Fund. It would also appropriate \$50 million in fiscal year 2023-2024 to the Rural Jobs Development Fund.

2023 KFB State Priority Issue:

"Support efforts that will retain and attract new business and industry to rural areas of Kentucky."

SB 281: J. Howell – AN ACT relating to alternative fuels.

This bill was amended in the Senate Natural Resources and Energy Committee and would require the Finance and Administration Cabinet to implement, instead of develop, a strategy to replace 50% of vehicles managed by the Office of Fleet Management with hybrid or alternative fueled vehicles and change the date by which the strategy must be implemented from January 1, 2014, to January 1, 2026. The

bill would also require an increase in the use of alternative fuels that is commensurate with the increase in vehicles managed by the Office of Fleet Management that are capable of utilizing those alternative fuels and change the due date for the Finance and Administration Cabinet's progress report to the Legislative Research Commission to December 1, 2024. This bill passed the Senate with [Senate Committee Substitute 1](#) 35-0 and passed the House 84-4. This bill now heads to the Governor for his signature.

KFB Policy:

"We will publicly and aggressively promote the use of biofuels and support legislation that promotes biofuels usage."

HB 360: J. Petire – AN ACT relating to revenue and declaring an emergency.

This bill is known as the revenue bill that is passed each session and was amended in [Free Conference Committee](#). The bill amends numerous sections of the law, but here are some highlights related to agriculture and rural Kentucky. This bill would exempt property that is currently taxed at a rate of one-10th of one cent from property tax, which includes farm implements and farm machinery owned by or leased to a person actually engaged in farming and used in his or her farm operations. This bill would also amend various sales and use tax definitions to exclude marketing services from the taxable services and the sublease of certain rental of space for meetings, conventions, short-term business uses, entertainment events, weddings, banquets, parties, and other short-term social events. This bill would also allow a pass-through entity to pay the tax liability at the entity level on behalf of the individual partner, member, or shareholder and allow the individual partner, member, or shareholder a nonrefundable credit of 100 percent of the tax paid by the pass-through entity. This bill would also establish the rural housing trust fund, establish eligible activities for the use of moneys from the trust fund, establish the application process for moneys from the trust fund to be loaned or grants issued, and establish the Rural Housing Trust Fund Advisory Committee. This bill passed the House 76-17 with [House Committee Substitute 1](#). This bill was amended by [Free Conference Committee](#) and received final passage in the Senate 36-0 and in the House 77-20. The bill now heads to the Governor for his signature.

KFB Policy:

"We oppose legislation that would require licensing of farm machinery and equipment and recommend that new farm equipment be exempt from inventory taxes."

"We oppose taxing farm equipment with property taxes."

SB 46: J. Howell – AN ACT relating to the reorganization of the Office of State Veterinarian.

This bill would update the Office of State Veterinarian's Division of Animal Health to the Division of Regulatory Field Services by changing the Division of Producer Services to the Division of Animal Health Programs, and would establish the Division of Emergency Preparedness and Response. This bill passed the Senate 32-1 and the House by a vote of 98-0. This bill now heads to the Governor's desk for his signature.

KFB Policy:

"We recommend the KDA Office of the State Veterinarian have adequate amount of funding for trained subject matter experts for prompt disease response."

HOW TO CONTACT YOUR LEGISLATORS

During the week, you may reach your representative and senator in Frankfort by calling 502.564.8100.

If you do not desire to talk to your state legislator immediately or you just want to leave a message, you may dial toll-free 800.372.7181. An answering service will take your message for your representative or senator. The legislative calendar information line is 800.633.9650, the bill status line is 866.840.2835, and the Governor's office number is 502.564.2611.

If you desire to e-mail your representative or senator, [click here](#) for a list of e-mail addresses for members of the Kentucky General Assembly. Find your legislator and click on his or her name to access their e-mail address.

YOUR LOBBYISTS

The following are registered to lobby for Kentucky Farm Bureau for the 2023 session: Kyle Kelly, Public Affairs Director, extension 7417, and Drew Graham, extension 5121. If you would like to call your lobbyists during the evening, call 502.495.5000 and key in their extensions.

If you would like to contact one of your lobbyists during the day, please call Katie Weatherholt at 502.493.7669 and she will put you in touch with one of them.

KEEP ALL LEGISLATIVE REPORTS FOR FUTURE USE

We suggest that you keep a record of the Legislative Reports on file because, on occasion, we may refer to a previous report as a source of more details regarding an issue.

FUTURE DATES OF INTEREST

March 17–28.....Veto Period
March 30.....General Assembly, Sine Die

**The Legislative Report and KFB's Priority Issues are also on
KFB's website at kyfb.com and the KFB app.**