



January 16, 2014

## **Legislative Report No. 3**

### ***2014 Kentucky General Assembly***

Today marks the eighth legislative day of the 2014 session of the Kentucky General Assembly. To date there have been a total of 134 Senate bills and resolutions and 265 House bills and resolutions introduced.

On Tuesday, the Senate Agriculture Committee heard testimony from Sean Riley, Chief Deputy Attorney General regarding the Master Settlement Agreement (MSA). In September 2013 a three-judge arbitration panel ruled that Kentucky did not diligently enforce the terms of the MSA in 2003. This ruling may result in Kentucky seeing a reduction in their 2014 MSA payment. The amount of this reduction is not known at this time, but any reduction would have an impact on the Agricultural Development Fund.

Last Thursday we began discussions with key members of the General Assembly on how to address a potential reduction in future MSA payments. Keep in mind the April 2014 payment of the MSA to Kentucky would affect the current budget.

On Tuesday, January 21, Governor Beshear will present his two-year budget to a joint session of the General Assembly. While it is expected to be a tight budget, education funding will be the Governor's top priority. In next week's report we will highlight the Governor's budget proposal as it pertains to our funding priorities.

**Some of the bills we are currently tracking are listed below:**

**[HB 1: G. Stumbo, De. Butler, M. Marzian - AN ACT relating to wages.](#)**

This bill would raise the state minimum wage to \$8.10 per hour on July 1, 2014, \$9.15 per hour on July 1, 2015, and \$10.10 per hour on July 1, 2016. This bill has been assigned to the House Labor and Industry Committee.

**[HB 31: J. Tilley, T. Mills - AN ACT relating to eminent domain.](#)**

This bill would amend KRS 278.502 to condition the exercise of condemnation authority upon approval of the Public Service Commission, which may be given only after review of delineated statutory criteria. This bill has been assigned to the House Judiciary Committee.

**[HB 58: K. Imes - AN ACT relating to speed limits.](#)**

This bill would to increase the maximum speed limit to 65 MPH on four-lane state highways that are not interstates or parkways. This bill has been assigned to the House Transportation Committee.

**[HB 60: D. Floyd, K. King, M. Harmon, T. Mills - AN ACT relating to eminent domain and declaring an emergency.](#)**

This bill would limit the scope of the eminent domain authority created by that section by allowing only oil or gas wells or pipelines that are subject to the severance tax to utilize eminent domain. This bill has been assigned to the House Judiciary Committee.

**[HB 76: R. Nelson - AN ACT relating to financial literacy.](#)**

This bill would require the Department of Education to develop the Kentucky Financial Literacy Program and require a high school student to complete a one-half credit bearing course in financial literacy prior to graduation. This bill has been assigned to the House Education Committee.

**[HB 193: M. Meredith, W. Stone - AN ACT relating to the taxation of drugs used in the production of cattle, sheep, swine, poultry, llamas, alpacas, buffalos, aquatic organisms, cervids, ratite birds, or equine.](#)**

This bill would exempt drugs and over-the-counter drugs from the sales and use tax, if used in the diagnosis, cure, mitigation, treatment, or prevention of disease in beef cattle, dairy cattle, sheep, swine, poultry, llamas, alpacas, buffalos, ratites, aquatic organisms, cervids, ratite birds, or equine. This bill has been assigned to the House Appropriations and Revenue Committee.

**[SB 14: J. Higdon, J. Carroll, D. Harper Angel, D. Parrett - AN ACT relating to eminent domain.](#)**

This bill would allow eminent domain to be used only in cases where the condemnor is a utility regulated by the Public Service Commission. This bill has been assigned to the Senate Judiciary Committee.

**[SB 18: R. Webb - AN ACT relating to the donation of game meat.](#)**

This bill would prohibit state and local government entities from restricting the donation of game meat to or from not-for-profit organizations for the purpose of free meal distribution and require that the game meat be from wildlife that was taken in the Commonwealth, properly field dressed and processed, and apparently disease-free and unspoiled. This bill has been assigned to the Senate Natural Resources and Energy Committee.

**[SB 21: J. Higdon, J. Carroll, D. Harper Angel, D. Parrett - AN ACT relating to eminent domain and declaring an emergency.](#)**

This bill would limit the scope of the eminent domain authority created by that section by allowing only oil or gas wells or pipelines that are subject to the severance tax to utilize eminent domain. This bill has been assigned to the Senate Judiciary Committee.

**[SB 24: R. Webb - AN ACT relating to sales and use tax exemptions for the equine industry.](#)**

This bill would exempt from sales and use tax the sales of machinery, machinery attachments, repair parts, replacement parts, feed and feed additives, water, farm chemicals, on-farm equine facilities, fuel to operate farm machinery and on-farm equine facilities, seed and commercial fertilizer, if the property is purchased by a person regularly engaged in the occupation of breeding, raising, training, racing, or exhibiting equine as a business and the property is exclusively and directly used in that occupation. This bill has been assigned to the Senate Appropriations and Revenue Committee.

**[SB 44: P. Hornback, D. Parrett, D. Givens - AN ACT relating to motor vehicle weight tolerance.](#)**

This bill would to provide a weight tolerance of 10% for commercial vehicles that are engaged in the transportation of agricultural products. This bill was assigned to the Senate Transportation Committee.

As the bills we are monitoring begin to move through the committee process we will keep you updated and also be asking you to contact your Senator and Representative.

*Please note: The General Assembly will not be in session Monday, January 20 in observance of Martin Luther King Jr. Day.*

### **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

### **YOUR LOBBYISTS**

The following are registered to lobby for Kentucky Farm Bureau for the 2014 session: Jeff Harper, Public Affairs Director, extension 5104; Bryan Alvey extension 7218; Tony Sholar, extension 5121, Beth Wisman, extension 5105, and David S. Beck, extension 5101. If you would like to call your lobbyists during the evening, call 502-352-4280 at the Frankfort headquarters or call 502.495.5000 and key in their extensions.

If you would like to contact one of your lobbyists during the day, please call Sara Stivers at 502.495.5121 and she will put you in touch with one of them.

The Legislative Report and KFB's Priority Issues are also on KFB's website at [kyfb.com](http://kyfb.com) and the [KFB app](#).