



April 29, 2016

**LEGISLATIVE REPORT NO. 15 - FINAL REPORT**  
**SUMMARY OF LEGISLATIVE ACTIVITIES DURING THE**  
***2016 Kentucky General Assembly***

Kentucky Farm Bureau was involved in many pieces of legislation this session supporting, opposing, and monitoring bills. We were able to secure passage of several of our priority issues this year. The Kentucky General Assembly passed legislation that will create the Kentucky Water Resources Board, maintained the 22.2% allocation of the state gas tax revenue for rural roads, and maintained 50% of the Master Settlement Agreement Funds to the Agricultural Development Board. The bills that were passed during this regular session will become effective on July 15, 2016. Legislation containing an emergency clause became effective upon Governor Bevin's signature.

The Public Affairs staff would like to express our sincere appreciation to all of those who responded to our Legislative Action Request concerning various issues each week. The success of implementing your policy depends on the continued involvement and efforts of county Farm Bureau leaders and members. Please accept our thanks for your assistance in making this year's session a success for Kentucky Farm Bureau.

This year is an election year for all one hundred state house and nineteen state senate seats. As the primary and general elections approach it is vital that our organization know how these candidates stand on our priority issues like sales tax exemptions for agriculture and state property taxes (HB 44). The most effective way to discover the position of candidates is to conduct Measure-the-Candidate Forums. These forums allow us to get candidates on record prior to them becoming elected officials. We can expect one of the agenda

items for the 2017 session of the General Assembly to include state tax reform so it is imperative that we elect candidates that are supportive of our policy on tax issues.

As the General Assembly enters into the interim, we encourage those counties that have yet to conduct legislative appreciation events to do so. We know that several counties have already conducted these events during the session with great success. We also encourage you to invite your representatives and senators to your county annual meetings and our state annual meeting.

The following is a detailed report summarizing many of the bills and resolutions in which Kentucky Farm Bureau was involved:

The Kentucky General Assembly passed the state budget ([HB 303](#)) on Friday April 15. The House voted 98-1 and the Senate 38-0. Since the General Assembly has adjourned Sine Die they will not have the opportunity to override any line item vetoes by Governor Bevin.

Below are the highlights of the state budget.

The onetime tobacco settlement money of \$21,099,500 for FY16 was appropriated to the Governor's Office of Agricultural Policy with the following language:

The General Fund (Tobacco) appropriation of \$21,099,500 to the Governor's Office of Agricultural Policy in fiscal year 2015-2016 shall be used solely for *special* agricultural development initiatives. *These special initiatives shall be limited to those which support regional centers of excellence associated with a state university, to regional initiatives that support local food aggregators, processors, or distributors, to statewide initiatives that foster the maintenance, preservation, or enhancement of a natural resource which is important to the future development of the agricultural economy in the Commonwealth, or to regional initiatives that provide a public service which can be used to evaluate the marketability of livestock.* The grant process for each *special* agricultural development initiative shall be subject to the application process and approval of the Agricultural Development Board created under KRS 248.707. *The Board shall not approve an individual grant for an amount*

*that exceeds \$12,800,000.*

On April 27, Governor Bevin line itemed vetoed the above language that is underlined and in italics. To view the entire veto message for HB 303 [click here](#).

- Total appropriation for the Governor's Office of Agricultural Policy is \$25.35 million in FY17 and \$28.45 in FY18.
- County accounts will receive \$10.83 million in FY17 and \$11.91 million in FY18.
- \$600,000 for the Farms to Food Banks program in both FY17 and FY18.
- Soil Erosion and Water Quality Cost-share program will receive \$5 million in both FY17 and FY18.
- \$907,300 for the Division of Conservation to provide direct aid to local conservation districts in both FY17 and FY18. THIS APPROPRIATION WAS LINE ITEM VETOED.
- KY Department of Agriculture will receive \$16.90 million in FY17 and \$17.04 million in FY18 of general fund dollars.
- \$455,000 to the Local Agricultural Fair Aid Program in both FY17 and FY18.
- \$750,000 to Western Kentucky University in both FY17 and FY18 for the Kentucky Mesonet from their general fund appropriation.

**2016 State Priority Issues:**

*"Maintain allocating 50% of the Master Settlement Agreement funds to the Agricultural Development Board, and funds be spent for the purpose of improving net farm income of individual farmers in production agriculture."*

*"Support continued funding of the Soil Erosion and Water Quality Cost-Share Program."*

*"Support an efficient, well-administered and adequately financed Kentucky Department of Agriculture."*

## **BILLS FARM BUREAU SUPPORTED THAT PASSED**

[HB 529 - R. Rand, S. Rudy, R. Adkins, R. Crimm, M. Denham, R. Heath, D. Horlander, K. King, M. King, T. McKee, M. Meredith, T. Mills, B. Rowland, W. Stone, T. Thompson, J. Tipton, B. Yonts - AN ACT relating to water resources policy.](#)

This bill established the 11-member Kentucky Water Resources Board and identified the role and function of the board in developing water resource policy. It will require the cabinet to provide leadership for on-farm and rural community drought and water assessment monitoring, and improvements for agricultural purposes and authorize the cabinet to receive and disperse federal, state, and other funds for on-farm and community drought and water assessment, monitoring, and improvements.

This bill passed the House of Representatives 95-0 and passed the Senate 38-0. This bill became law without Governor Bevin's signature.

In addition to the passage of HB 529, the Kentucky Farm Bureau Water Management Working Group finalized both a plan and a proposed specific budget in the fall of 2015. This plan and budget was developed as a potential guide for the newly created Kentucky Water Resources Board.

### **2016 State Priority Issue:**

*"Support the creation of a Kentucky water resource management program that will create, support, and advocate a coordinated effort to manage water resource projects across the Commonwealth."*

[HB 304: R. Rand - AN ACT relating to appropriations providing financing and conditions for the operations, maintenance, support, and functioning of the Transportation Cabinet of the Commonwealth of Kentucky.](#)

This bill is the transportation budget. The bill maintains the road formula and the Rural and Secondary Road funding. On April 27, Governor Bevin line item vetoed HB 304. To view his veto message [click here](#).

### **2016 State Priority Issue:**

*"Support the rural, secondary and county aid programs and continuation of the 22.2% allocation of the state gasoline tax revenue for rural roads."*

[HB 423: R. Rand - AN ACT relating to revenue measures and declaring an emergency.](#)

## **THIS BILL WAS VETOED BY GOVERNOR BEVIN**

This bill would have exempted from sales and use tax sales of medicine and vaccines for livestock between August 1, 2016 and August 1, 2022. It would have also exempted from the sales and use tax bees used in a commercial enterprise for the production of honey or wax for sale, pollination of crops the products of which constitute food for human consumption, or are to be sold in the regular course of business and exempts inputs associated with a commercial bee enterprise. It would have also extended the tire waste fee until June 30, 2018. This bill would have also phased-in over 4 years a distribution of coal severance tax revenues allowing 100% of those receipts to be distributed to coal-producing counties. It would have excluded from adjusted gross income up to \$5,000 for the taxpayer and each dependent, limited to a maximum annual exclusion of \$10,000, of qualified contributions to the Kentucky Education Savings Plan Trust for taxable years 2019 to 2025 and to include in adjusted gross income contributions and earnings that are refunded to a participant in the Plan that are not used for educational expenses.

### **Governor Bevin's veto message:**

Given the overall financial condition of the Commonwealth and its massive unfunded pension liabilities, now is the not the time to pass additional tax expenditures however meritorious each provision may be. Each of the proposed tax changes contained in House Bill 423 would be appropriate for debate and potential inclusion in a comprehensive tax reform proposal, whereby the entire tax code and the appropriateness of each individual tax expenditure can be property weighed against others.

### **Farm Bureau Policy:**

*"We recommend that all farm production items including veterinary medicine and vaccines, electricity, sawdust and wood shavings, all livestock and poultry bedding, LP gas, and natural gas be exempt from sales and use tax."*

*"Coal producing counties should receive a greater share of coal severance taxes and should be permitted to use it for repairing roads and bridges and/or water projects."*

[HB 497: W. Stone, M. Denham, R. Heath, K. King, M. King, T. McKee, T. Mills, D. Osborne, D. Schamore, J. Taylor, J. Tipton, B. Yonts - AN ACT relating to seeds.](#)

This bill will prohibit any city, county, or other political subdivision of the

Commonwealth to adopt or continue in effect any ordinance, resolution, rule, or regulation regarding the registration, packaging, labeling, sale, storage, distribution, use, application, or propagation of seeds. This bill became law without Governor Bevin's signature.

**Farm Bureau Policy:**

*"We oppose any local ordinance that is more restrictive than state regulations governing agricultural operations."*

[HB 216: M. Denham, G. Brown Jr., D. Keene, J. Richards, S. Riggs, T. Thompson - AN ACT relating to the Kentucky Economic Development Partnership.](#)

This bill will replace the Kentucky Industrial Development Council, the Associated Industries of Kentucky, and the Kentucky Economic Development Corporation with the Kentucky Association for Economic Development, the Kentucky Association of Manufacturers, and the National Federation of Independent Business/Kentucky, respectively, in the process for nominating persons to the board and requires the board to meet biannually. Kentucky Farm Bureau has a seat on this board and this legislation also strengthens the appointment process to this board.

**Farm Bureau Policy:**

*"We support the Cabinet for Economic Development and its efforts to include agriculture and natural resources in their long-range economic development plan."*

[SB 191: P. Hornback - AN ACT relating to reorganization and declaring an emergency.](#)

This bill will reorganize the State Fair Board to seventeen members as follows:

The Governor or his or her designee, the Commissioner of Agriculture or his or her designee, the Dean of the University of Kentucky College of Agriculture, Food and Environment or his or her designee, one member involved with or experience in agribusiness, one member representative of all segments of animal agriculture, one member representative of all segments of crop or plant production, one member representative from the American Saddlebred Association, one member representative from Kentucky Farm Bureau, one member representative from Kentucky Association of Fairs and Horse Shows, one member representative from Louisville Convention and Visitors Bureau, State President of Kentucky FFA Association (ex-officio), State President of Kentucky 4-H Organization (ex-officio), and five members appointed by the Governor from the state at large with due consideration to geographical

distribution throughout the state.

The Governor shall select the Chair and Vice Chair of the State Fair Board and they shall serve for one year and may be reappointed. Members of the State Fair Board shall be appointed to no more than three terms that begin on or after the effective date of this act.

The State Fair Board shall meet monthly a minimum of ten months per year. This bill requires the State Fair Board to hold an annual fair on the state fairgrounds and operate the Kentucky State Fair and World's Championship Horse Show and the National Farm Machinery Show. It removes the Kentucky Livestock Improvement Association from the Fair Council and clarifies membership representation to include the Kentucky Colt Racing Association and Agricultural Education Consultant and adds a representative of animal agriculture. It also deletes membership requirements of the North American International Livestock Exposition Executive Committee and deletes membership requirements of the North American International Livestock Exposition Executive Committee subcommittees.

**Farm Bureau Policy:**

*"We encourage the Kentucky State Fair Board be composed of a minimum of fifty percent voting members who are active members in agriculture leadership."*

[HJR 152: M. Denham](#)

This resolution directs the Division of Water to meet with the United States Army Corps of Engineers and the Natural Resources Conservation Service to determine procedures for developing water resources for agriculture and it also provides that the Division of Water shall report findings and recommendations to the Legislative Research Commission by December 1, 2016.

**Farm Bureau Policy:**

*"We support research, cost-share, technical assistance, and further development of existing programs for on-farm water supplies including irrigation purposes."*

[HR 56: J. Tipton, L. Bechler, D. Butler, W. Coursey, J. DuPlessis, D. Graham, D. Hale, R. Heath, K. King, M. King, M. Meredith, S. Miles, T. Mills, T. Riner, B. Rowland, S. Rudy, D. Schamore, J. Shell, R. Smart, W. Stone, T. Turner](#)

This resolution will encourage all state government entities to support Kentucky's agricultural economy by purchasing Kentucky-grown and Kentucky Proud products.

**Farm Bureau Policy:**

*"We encourage the utilization of Kentucky agriculture products by state and county agencies, state funded institutions, public schools and publicly funded projects whenever possible."*

[HR 169: J. Kay, W. Stone, T. McKee](#)

This resolution urges the Kentucky Congressional delegation to create a program of crop insurance for farmers growing fruits and vegetables.

**BILLS FARM BUREAU OPPOSED THAT PASSED**

There were no bills passed in this session that Farm Bureau opposed.

**BILLS FARM BUREAU OPPOSED THAT DID NOT PASS**

[HB 69: A. Simpson, A. Koenig, J. Miller, J. Richards, S. Santoro, D. St. Onge, A. Wuchner - AN ACT relating to the distribution of fuel tax revenues and declaring an emergency.](#)

This bill would have changed the revenue sharing formula to divide 48.2% of motor fuel tax revenues between incorporated and unincorporated areas based on population, road mileage, and land area.

**2016 State Priority Issue:**

*"Support the rural secondary and county road aid programs and continuation of the 22.2% allocation of the state gasoline tax revenues for rural roads."*

[HB 278: G. Stumbo, T. Riner, W. Coursey, J. Donohue, C. Miller - AN ACT relating to wages.](#)

This bill would have increased the minimum wage to \$8.20 an hour effective August 1, 2016. This increase would not have been applied to employees of retail stores, service industries, hotels, motels, and restaurant operations whose average annual gross volume of sales made for business done is less than five hundred thousand dollars for the five preceding years exclusive of excise taxes at the retail level or if the employee is the parent, spouse, child, or other member of his or her employer's immediate family.

**Farm Bureau Policy:**

*"We oppose an increase in the minimum hourly wage."*

[HB 342: J. Wayne, T. Burch, G. Brown Jr., J. Donohue, K. Flood, D. Graham, C. Howard, J. Jenkins, M. Marzian, R. Meeks, D. Owens, T. Riner, R. Smart, D. Watkins - AN ACT relating to taxation.](#)

This bill would have decoupled from changes to the federal estate tax since 2003, provided for a reduction and phase-out of the pension exclusion, frozen the states real property tax rate at 12.2 cents per \$100 and removed the rate adjustment provision and removed the recall provisions.

**2016 State Priority Issues:**

*"Strongly oppose freezing the state real property tax rate."*

*"Support the current provisions of House Bill 44 (KRS 132.010). Revenue from property taxes should continue to be limited to 4% plus new growth. Proposals to exceed 4% should automatically go to the voters."*

[HB 351: S. Westrom, M. Marzian, D. Watkins - AN ACT prohibiting smoking in public places and places of employment.](#)

This bill would have prohibited indoor smoking in businesses, places of employment, and other listed public places and would have exempted private residences, unless used for child care or adult day care. It would have also required posting of "no smoking" signs at specified locations and permitted local governments to adopt stricter regulations by ordinance.

**Farm Bureau Policy:**

*"We believe business owners should have the exclusive right to prohibit tobacco use in their private business. We are adamantly opposed to any level of government or agency mandating that businesses prohibit tobacco use."*

**BILLS FARM BUREAU SUPPORTED THAT DID NOT PASS**

[HB 27: T. Mills, T. Riner, L. Belcher, D. Floyd, D. Hale, R. Heath, M. Meredith, J. Richards, J. Tipton - AN ACT relating to sales and use tax.](#)

[HB 193: M. Meredith, T. Moore, D. Floyd, D. Hale, R. Heath, K. King, B. Linder, T. Mills, J. Shell, J. Tipton, K. Upchurch, R. Webber, S. Westrom.](#)

These two bills would have exempted bees used in a commercial enterprise for the production of honey or wax for sale and certain items

used in that pursuit. The language in this bill was incorporated in HB 423 which passed.

[HB 62: J. Shell, M. Meredith, T. Moore - AN ACT relating to eligibility for public assistance.](#)

This bill would have required the Cabinet for Health and Family Services to implement a substance abuse screening program for applicants and recipients of public assistance who have a felony or misdemeanor history of substance abuse.

**Farm Bureau Policy:**

*"We support the idea that those who receive SSI, food stamps, housing, or other government welfare payments should have to submit to random drug testing."*

[HB 104: J. Gooch Jr., L. Bechler, T. Couch, K. Imes, J. Tipton - AN ACT relating to state authority to regulate air quality.](#)

This bill would have prohibited the Energy and Environment Cabinet from promulgating administrative regulations or imposing permit conditions to reduce carbon dioxide under federal rules or federal plan unless authorized by either the Kentucky General Assembly or if carbon dioxide is designated by the United States Congress as a criteria pollutant under the Clean Air Act. It would have declared Kentucky a sanctuary state from over-reaching regulatory authority of the United States Environmental Protection Agency to implement carbon dioxide limits under the Clean Power Plan.

**Farm Bureau Policy:**

*"We support discouraging the EPA from enforcing air quality standards and implementing a new national ambient air quality standard for particulate matter until scientists determine the health and economic consequences of their actions."*

[HB 112: M. Denham, D. Horlander, S. Lee, M. Meredith, R. Meyer, T. Mills, D. Osborne, S. Overly, R. Palumbo, S. Santoro, W. Stone, S. Westrom - AN ACT relating to tangible personal property used in the production of equine.](#)

This bill would have exempted feed and feed additives, seeds, commercial fertilizers, farm chemicals, farm machinery, water, fuels, and on-farm facilities used in the production of equine from the sales and use tax.

**Farm Bureau Policy:**

*"We also recommend production items associated with the equine industry be exempt from the sales and use tax."*

[HB 130: R. Crimm - AN ACT relating to sales and use taxation.](#)

This bill would have increased the maximum amount of vendor compensation from \$50 to \$250 in any reporting period relating to sales and use tax.

**Farm Bureau Policy:**

*"We support restoring the sales and use tax vendor's compensation back to the pre-2013 level."*

[HB 192: M. Meredith, W. Stone, R. Bunch, J. Carney, J. DeCesare, D. Elliott, R. Heath, J. Kay, K. King, M. King, D. Mayfield, S. Miles, D. Osborne, B. Rowland, S. Rudy, D. Schamore, J. Shell, J. Tipton, R. Webber, S. Westrom.](#)

[HB 231: T. McKee, R. Rand, M. Denham, R. Heath, M. Meredith, T. Mills, S. Overly, W. Stone, J. Taylor - AN ACT relating to the taxation of drugs used in the treatment of cattle, sheep, swine, poultry, llamas, alpacas, buffalo, aquatic organisms, cervids, or ratite birds.](#)

These two bills would have exempted drugs and over-the-counter drugs for beef cattle, dairy cattle, sheep, swine, poultry, llamas, alpacas, buffalo, aquatic organisms, cervids, or ratite birds sold or purchased between August 1, 2016, and July 31, 2022 from the sales and use tax. The language in these two bills was incorporated into HB 423 which was passed.

**Farm Bureau Policy:**

*"We recommend that all farm production items including veterinary medicine and vaccines, electricity, sawdust and wood shavings, all livestock and poultry bedding, LP gas, and natural gas be exempt from sales and use tax."*

[HB 234: R. Heath, D. Hale, T. Mills, B. Rowland - AN ACT relating to sales and use tax.](#)

This bill would have exempted from sales and use tax poultry for use in the production of food for human consumption and poultry or livestock bedding materials purchased on and after August 1, 2016, but before July 31, 2020.

[HB 483: M. Denham - AN ACT relating to sales and use tax.](#)

This bill would have exempted straw, wood shavings, and sawdust used

in agricultural or equine pursuits sold or purchased from August 1, 2016, to August 1, 2020, from sales and use tax.

**Farm Bureau Policy:**

*"We recommend that all farm production items including veterinary medicine and vaccines, electricity, sawdust and wood shavings, all livestock and poultry bedding, LP gas, and natural gas be exempt from sales and use tax."*

[HB 534: W. Coursey, G. Stumbo, D. Hale, K. King, D. Schamore, J. Tipton - AN ACT relating to the recitation of the United States Pledge of Allegiance.](#)

This bill would have required local boards of education to develop procedures for the daily recitation of the United States Pledge of Allegiance at the start of each school day and provide for students choosing not to participate to sit or stand quietly. It would also prohibit the recitation entirely should the words "under God" be removed by court order.

**Farm Bureau Policy:**

*"We believe teachers should devote some time to spiritual meditation and the Pledge of Allegiance to the flag at the beginning of each school day."*

[HCR 29: L. Combs, M. Denham, C. Howard, B. Montell, R. Nelson, D. Osborne, S. Riggs.](#)

This resolution would have directed the Legislative Research Commission to establish a Timber Theft and Trespass Reduction Task Force and provide that the purpose of the task force is to study issues regarding timber theft and trespass and to develop consensus recommendations to address those issues.

**Farm Bureau Policy:**

*"We encourage local prosecutors to recognize theft of timber is not a trespass issue, but a criminal activity, and existing theft laws should be enforced."*

[SB 32: D. Parrett, D. Carroll, D. Harper Angel, R. Thomas - AN ACT relating to financial literacy.](#)

This bill would have required the Department of Education to develop and implement the Kentucky Financial Literacy Program and required a high school student to complete instruction in financial literacy, included within the existing curriculum, prior to graduation.

**Farm Bureau Policy:**

*"We support "Financial Literacy" being included in Kentucky school curriculum at all appropriate levels."*

**OTHER BILLS OF INTEREST THAT PASSED**

[HB 80: C. Harris, T. Riner, J. Glenn, D. Graham, S. Santoro, D. St. Onge - AN ACT relating to government operations.](#)

This bill was passed as a result of HB 423 being vetoed. This bill will increase the General Assembly authorization threshold for university capital projects to \$1 million related to any capital construction item to make a building or utility installation complete or information technology systems. This bill amends KRS 158.070 to allow a school district to be open on the day of an election if no school in the district is used as a polling place. It also amends KRS 224.50-868 to extend the new tire fee until June 30, 2018. This bill increases the executive agency lobbyists registration fee to \$500 and allows the Auditor of Public Accounts to charge agencies for additional expenses incurred during audits and prohibits any state or local taxes to be imposed on water withdrawal fees imposed by the Kentucky River Authority.

[HB 83: T. McKee, M. Denham, R. Heath - AN ACT relating to tobacco products.](#)

This bill defined "reference tobacco products" and excluded reference tobacco products from the definition of "tobacco products" and "snuff".

[HB 208: T. McKee, M. Denham, R. Crimm, S. Riggs, W. Stone - AN ACT relating to prescribed fire.](#)

This bill will allow the Division of Forestry to exempt a person certified by the Kentucky Prescribed Fire Council's Burn Boss program from the requirements of KRS Chapter 149 except that prescribed fires shall not be set during local burn bans or red flag warning days. It also requires persons exempted to give notice to the Division of Forestry 24 hours prior to the burn, notice to local landowners and local EMS the day of the burn.

[HB 309: L. Combs, S. Overly, R. Adkins, J. Bell, L. Clark, J. DeCesare, M. Denham, J. Donohue, R. Heath, D. Horlander, K. Imes, D. Keene, T. McKee, R. Palumbo, M. Rader, J. Richards, J. Shell, G. Stumbo, T. Thompson, B. Yonts - AN ACT relating to public-private partnerships and declaring an emergency.](#)

This bill will amend the Kentucky Model Procurement Code, to provide

an explicit framework for the use of public-private partnerships (P3s) as an alternative method of procurement, construction, and financing of capital projects and services by state government.

[HB 428: W. Stone, L. Belcher, R. Crimm, D. Horlander, D. Osborne, J. Richards, S. Westrom - AN ACT relating to cruelty to animals.](#)

This bill will define "dog," "dog fight", and "dog fighting" and provide that a dog owner, an owner of property on which a dog fight is conducted, and anyone who participates in the organization of a dog fight for pleasure or profit as well as anyone who knowingly owns, possesses, keeps, trains, sells, or otherwise transfers a dog for the purpose of dog fighting is guilty of cruelty to animals in the first degree, a Class D felony. Activities of dogs engaged in hunting, field trials, dog training, and other activities authorized either by a hunting license or by the Department of Fish and Wildlife Resources shall not constitute a violation of this section and activities of dogs engaged in working or guarding livestock shall not constitute a violation of this section.

[SB 182: P. Hornback, W. Westerfield, D. Parrett - AN ACT relating to the storage and handling of grain.](#)

This bill will change license renewal date for grain storage businesses and change license renewal date for grain dealers. This bill will also change penalties relating to the storage and handling of grain to eliminate the minimum penalty and establishes a maximum amount of \$500,000 for operating with a license.

[SB 242: D. Givens - AN ACT relating to veterinarians.](#)

This bill will define "veterinary wellness program" and "student" and eliminate "veterinary technologist" designation. It will also allow a retailer to provide information and suggestions on over-the-counter animal products. This bill will set out how the Board of Veterinary Examiners may allow the renewal of retired or inactive licenses and increase the size of the Board of Veterinary Examiners. It will provide board members immunity from personal liability in any action based on an official act of the member and allow the board to establish a veterinary wellness committee.

We worked with members of the General Assembly to remove a provision that would have allowed veterinarians to release animal health information to authorities without the owner's consent.

**OTHER BILLS OF INTEREST THAT DID NOT PASS**

[SB 14: P. Hornback, D. Thayer, R. Alvarado, T. Buford, D. Carroll, J. Higdon, D. Seum, R. Thomas, M. Wise - AN ACT relating to animal fighting.](#)

This bill would have included the owning, possessing, keeping, breeding, training, selling, or transferring of dogs for fighting purposes within the offense of cruelty to animals in the first degree.

[SB 27: J. Bowen - AN ACT relating to motor vehicle registration fees.](#)

This bill would have established an additional initial and renewal registration fee of \$100 for plug-in electric vehicles.

[SB 62: R. Webb - AN ACT relating to the lawful taking of wildlife.](#)

This bill would have defined "unmanned aircraft systems" and prohibit the use of unmanned aircraft systems to track, hunt, or harvest wildlife and prohibit the use of unmanned aircraft systems to conduct surveillance of persons lawfully engaged in hunting, trapping, or fishing.

[SR 151: R. Webb, C. Embry Jr.](#)

This resolution would have encouraged the United States Attorney General to investigate the Humane Society of the United States for false and misleading fundraising practices.

[HB 2: G. Stumbo, J. Hoover, R. Adkins, L. Belcher, J. Bell, T. Burch, D. Butler, L. Combs, R. Crimm, B. DeWeese, J. Donohue, K. Flood, D. Graham, C. Miller, S. Overly, R. Palumbo, S. Riggs, T. Riner, K. Sinnette, T. Thompson, D. Watkins, S. Westrom, B. Yonts - AN ACT proposing to amend Section 181 of the Constitution of Kentucky relating to local levies of sales and use taxes.](#)

This bill would have proposed to amend Section 181 of the Constitution of Kentucky to authorize the General Assembly to confer upon the proper authority of any city or county the power to levy a local option sales and use tax.

[HB 51: J. Bell, L. Belcher, J. Richards - AN ACT relating to the Department of Corrections' farm operations.](#)

This bill would have expanded, to the extent feasible, the Department of Corrections' current Farm Operations Program to all adult correctional facilities operated within the Commonwealth, including correctional facilities operated by private contractors. It would have restricted the consumption of food and agricultural products grown or produced under the Farm Operations Program to inmates and other enumerated individuals or organizations.

[HB 169: L. Clark, D. Floyd, L. Belcher, J. Donohue, D. Horlander, C. Miller, D. Watkins - AN ACT relating to certificates for driving.](#)

This bill would have created a "certificate for driving" as a document issued by the Transportation Cabinet to an individual 18 years or older who has resided in the Commonwealth for a minimum of three years and who cannot prove citizenship or meet the requirements of KRS 186.412(2) to (4). It would have mandated that certificates for driving be clearly distinguishable from regular operator's licenses and clearly state on the face that the document is not to be used for identification purposes. It would have provided that the certificate for driving shall be valid for one year and required that the certificate for driving clearly state on its face that it is valid in Kentucky only.

[HB 273: T. McKee, M. Denham, H. Collins, J. Donohue, D. Hale, C. Howard, M. King, T. Mills, R. Nelson, J. Richards, B. Rowland, A. Simpson, R. Smart, W. Stone, T. Thompson, B. Yonts - AN ACT relating to emergency air ambulance services.](#)

This bill would have directed the Legislative Research Commission to establish the Emergency Medical Air Transportation Task Force and provided that the purpose of the task force is to study issues of emergency air transportation and to develop consensus legislative recommendations to address those issues by December 1, 2016.

[HB 279: S. Riggs - AN ACT relating to the taxation of food sold through vending machines or self-service vending systems.](#)

This bill would have exempted from sales and use tax food and food ingredients sold through vending machines or self-service vending systems.

[HB 299: D. Watkins, J. Jenkins, G. Brown Jr., T. Burch - AN ACT restricting tobacco, alternative nicotine, and vapor products to persons 21 years of age or older.](#)

This bill would have raised to 21 the minimum age to buy tobacco, alternative nicotine products, and vapor products.

[HB 350: J. Kay - AN ACT relating to income tax credits promoting land conservation.](#)

This bill would have established a qualified conservation contribution income tax credit.

[HB 407: B. Montell - AN ACT relating to the apparently wholesome food tax credit.](#)

This bill would have established the apparently wholesome food income

tax credit equaling 20 percent of the fair market value of apparently wholesome food donated in Kentucky.

[HB 576: R. Palumbo, K. Flood - AN ACT relating to agricultural and horticultural value for property taxes.](#)

This bill would have changed the definition of "agricultural land" and "horticultural land" and to delete the definition of "agricultural or horticultural value" and would have clarified the requirements that must be met for property to be classified as agricultural or horticultural property and to establish parameters for the valuation of such property once it has been classified.

This bill was filed late in the 2016 session. Once it was filed we spoke to key members of the General Assembly and shared our concerns about a policy change of this magnitude moving forward this late in the session. We also expressed that this issue of properly assessing agricultural and horticultural land was more of a local issue than a statewide issue.

[HB 604: M. Denham - AN ACT relating to heritage barns.](#)

This bill would have established the heritage barn tax credit.

[HB 630: J. Carney - AN ACT relating to dairies.](#)

This bill would have amended to clarify producers in the state of Kentucky and specified the duties of a qualified program and aligned federal and state programs for the benefit of Kentucky dairy producers.

[HCR 27: A. Koenig](#)

This resolution would have created the Mileage-Based Transportation Funding Task Force to develop and study the implementation of a mileage-based transportation funding mechanism.

[HJR 177: M. Denham](#)

This resolution would have directed the Transportation Cabinet and the Kentucky State Police to study the effects of horse-drawn wagons on highway safety and condition.

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