



March 20, 2020

## **Legislative Report No. 12**

### **2020 Kentucky General Assembly**

Thursday marked the forty-ninth legislative day of the 2020 Session of the Kentucky General Assembly. The General Assembly adjourned last night and will not reconvene until next Thursday, March 26. Due to the COVID-19 concern, access to the Capitol and the Annex has been closed to everyone but legislators, essential staff, LRC-credentialed media, and specifically-approved individuals. We are staying in contact with members of the General Assembly via phone, text and email.

The State Budget conference committee has been appointed and over the next week will begin to reconcile the differences in the House and Senate versions of the budget.

On Thursday, the full Senate passed the state budget ([HB 352](#)) by a vote of 24-7. Below is a list of items contained in the Senate version of the budget pertaining to our funding priorities:

- Agricultural Development Funds: \$34.5 million in FY21 and \$34.9 million in FY22. Of these funds \$14.2 million in FY21 and \$14.4 million in FY22 are allocated to the county funds;
- Environmental Stewardship Program: \$2.4 million in FY21 and \$2.5 million in FY22;
- Conservation District Local Aid: \$907,300 in both FY21 and FY22;
- The Kentucky Department of Agriculture: \$16.8 million in FY21 and \$18.8 million in FY22.

Other agricultural related programs include:

- UK Veterinary Diagnostic Laboratory: \$4,034,200 in each fiscal year;
- Breathitt Veterinary Center: \$3.2 million each fiscal year;
- Kentucky Mesonet at Western Kentucky University: \$750,000 each fiscal year;
- County Fair Grant Program: \$375,000 each fiscal year.

**Some other bills of interest:**

**HB 362: P. Pratt - AN ACT relating to broadband deployment.**

This bill would add definitions of "broadband", "broadband deployment fund", "broadband deployment project", "broadband deployment project area", "unserved area", and "underserved area". It would also clarify that the broadband deployment fund would be used to provide assistance to construct infrastructure for deployment of broadband service to underserved and unserved areas of the Commonwealth. This bill passed the House 82-11 and passed the Senate 31-0 yesterday and the House concurred with the Senate changes to the bill. The bill now heads to the Governor for his signature.

**2020 KFB Priority Issues:**

*"Support efforts and incentives to improve and provide all telecommunications in rural Kentucky."*

*"Support broadband and high speed internet service being available for the benefit of all Kentuckians."*

**SB 148: D. Givens - AN ACT relating to the registration of farmers for sales and use tax exemption purposes.**

This bill would require persons engaged in farming to obtain an agriculture exemption number to claim an exemption from sales and use tax. It would also require the Department of Revenue to develop a searchable database for sellers and retailers to verify the agriculture exemption number if the purchaser cannot produce documentation of the agriculture exemption number at the time of sale. This bill would become effective January 1, 2021. This bill passed the Senate 38-0 and passed the House Agriculture Committee with an amendment that would delay the full implementation of this bill until January 1, 2022. The House passed this bill 82-0 and the Senate concurred with the House changes to the bill. The bill now heads to the Governor for his signature.

**KFB Policy:**

*"We support a card identification system for qualified farmers for sales and use tax exemptions."*

**SB 5: R. Alvarado - AN ACT relating to special purpose governmental entities.**

This bill would require proposed increases in ad valorem taxes and certain fees and the levy of new ad valorem taxes or fees by special purpose governmental entities to be submitted to the legislative body of the county or city in which the special purpose governmental entity is located for review. This bill passed the Senate State and Local Government Committee and included the provision that would allow the legislative body of the county or city, the option to lower a proposed rate. This bill passed the Senate 28-10 and passed the House Local Government Committee with an amendment to allow the legislative body the option to lower the proposed tax rate if it exceeds the compensating rate. The House passed this bill 49-33 and the Senate concurred with the House changes to the bill. The bill now heads to the Governor for his signature.

**KFB Policy:**

*"We recommend that only elected officials have the authority to increase or create new taxes. In addition, we strongly urge all entities with the ability to increase taxes to be accountable for the expenditures of tax dollars to the citizens."*

*"We support allowing fiscal courts the flexibility to lower a tax rate submitted by a special taxing district."*

**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 2020 session: Jeff Harper, Public Affairs Director, extension 5104; Kyle Kelly, 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 ACTION REQUESTS FOR FUTURE USE**

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

**\*THE FOLLOWING DATES MAY CHANGE ONCE THE 2020 REGULAR SESSION CALENDAR IS UPDATED.**

## **\*FUTURE DATES OF INTEREST**

March 31 & April 1..... Concurrence Only  
April 2 - April 13..... Veto Period  
April 15..... General Assembly, Sine Die