



**Kentucky Legislative Report
January 11, 2013 - Regular Session Update
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Scott's Thoughts

At this time 195 bills have been filed for the 2013 Legislative Session. 141 Bills in the House and 54 Bills in the Senate are under consideration. It's important to remember that this is a 30 day session. During the last "Short" session 494 bills were filed in the House and 168 bills were filed in the Senate. The last day to file legislation is February 15 for the Senate and February 19 for the House.

The rule of thumb is that each chamber has two weeks to prioritize and act on their legislation and two weeks to act on the opposite chambers bills that they receive. Bottom line there's not much time to act and obviously a lot to consider.

Besides the things we've heard about that they will consider such as taxes, pensions, hemp and legislative redistricting it will be interesting to see what other issues catch their attention. For example energy efficiency seems to be a bipartisan issue and some form of legislation in this area might be considered. There may be some interesting legislation that will seek to clarify rate recovery from certain types of alternative energy and natural gas projects. The Petroleum Tank Environmental Assurance Fund needs to be extended and Rep. Yonts (HB 126) seeks to address the issue.

So stay tuned. It will be a fast and furious ride over the next couple of months. We'll do our best to keep you informed.

The bill numbers found in this document are linked to the Kentucky Legislative Review Commission's web page so you can review the legislation.

This is by no means an all encompassing list of bills. Don't hesitate to contact me if you want me to add additional issues, need copies of the proposed legislation or have questions about these or other bills you've heard about.

DO YOU KNOW SOMEONE WHO WANTS TO RECEIVE THESE UPDATES?

Send this to a colleague and tell them to write us at scottr.smith@smithmanage.com if they want to receive notice when these postings are updated.

QUESTIONS, COMMENTS, ADDITIONAL INFORMATION

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Agriculture

[HB 111 - R. Nelson](#)

AN ACT relating to the economic and environmental sustainability of forest lands.
 Create a new section of KRS 149.330 to 149.355 to require the Division of Forestry to maintain a list of approved third-party forest certification programs; deem programs accredited by the Forest Stewardship Council, the American Tree Farm System, and the Sustainable Forestry Initiative as approved; allow family forest land owners who are third-party certified to apply for official recognition from the division; allow the division to collect reasonable fees; amend KRS 131.140 to require the Department of Revenue to advise property valuation administrations that a timber production assessment model should be used on recognized third-party certified family forest land; amend KRS 132.220 to require filing with property valuation administrators; amend KRS 149.330 to define "family forest land."

Jan 9-introduced in House
 Jan 10 – to Economic Development (H)

Budget/Pension Reform

[SB 26 - J. Bowen, J. Schickel, M. Wilson](#)

AN ACT relating to debt.
 Amend KRS 48.010 to define terms; create a new section of KRS Chapter 48 to establish limitations on

the issuance of general fund debt; amend KRS 56.063 to conform; EFFECTIVE January 1, 2014.

Jan 8-introduced in Senate

[HB 139 - T. Riner](#)

AN ACT relating to revenue measures for financing the Kentucky Retirement Systems' unfunded liability.
 Amend KRS 138.140 to impose an additional cigarette surtax at a proportionate rate of 40 cents on each 20 cigarettes; deposit moneys into the Kentucky Retirement Systems unfunded liability trust fund; create a new section of KRS Chapter 138 to reenact the cigarette paper tax; amend KRS 138.143 to impose a floor stock tax at 11:59 p.m. on June 30, 2013; allow the floor stock tax to be paid in 3 installments; amend KRS 138.130 to make conforming changes; make effective only if the General Assembly creates the Kentucky Retirement Systems unfunded liability trust fund.

Jan 11-introduced in House

[HB 140 - T. Riner](#)

AN ACT relating to revenue measures for financing the Kentucky Retirement Systems' unfunded liability.
 Create a new section of KRS Chapter 138 to reenact the cigarette paper tax; require the revenues from this tax to be deposited into the Kentucky Retirement Systems unfunded liability trust fund; amend KRS 138.130 and 138.140 to

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conform; make effective only if the General Assembly creates the Kentucky Retirement Systems unfunded liability trust fund.

Jan 11-introduced in House

Energy

[HB 27 - T. Thompson](#)

AN ACT relating to city-operated natural gas distribution systems.

Create a new section of KRS Chapter 96 to address extension, acquisition, and condemnation by city-operated natural gas distribution systems.

Jan 8-introduced in House; to Tourism Development & Energy (H)

Jan 11 – reassigned to Natural Resources & Environment (H)

[SB 29 - K. Stein](#)

AN ACT relating to surface mining.

Amend KRS 350.450 to require coal mine permittees for all types of mining practices to dispose of remaining overburden in the mined area, areas under the abandoned mine land program, or areas approved by the cabinet; require use of lifts and compacted fills; prohibit disposal of overburden in streams; amend KRS 350.440 to prohibit disposal of spoil or overburden in intermittent, perennial, and ephemeral streams or any other waters of the Commonwealth; prescribe areas where spoil may be disposed; amend KRS 350.410 to make internal reference corrections and specify that restoration to approximate original contour includes configuration and elevation of the area prior to mining and require disposal of remaining overburden in the mined area, areas under the abandoned mine land program, or areas approved by the cabinet and the use of lifts and compacted fills; prohibit deposition of overburden in streams.

Jan 8-introduced in Senate

Jan 10-to Natural Resources & Energy (S)

[HB 86 - J. Wayne, R. Smart, T. Burch, K. Flood, D. Graham, J. Jenkins, M. Marzian, R. Meeks, D. Owens, T. Riner](#)

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Jan 8-introduced in House

Jan 9-to Natural Resources & Environment (H)

[HB 38/LM - F. Steele](#)

AN ACT relating to coal severance revenues.

Amend various sections in KRS Chapter 42 to distribute coal severance revenues among the coal producing counties on the basis of the tax collected on coal severed or processed in each respective county; amend KRS 143.090 and 164.7891 to make conforming changes.

Jan 8-introduced in House; to Appropriations & Revenue (H)

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[HCR 15 - K. Hall](#)

Urge the Energy and Environment Cabinet to develop an action plan for energy efficiency with a voluntary minimum goal of one percent per year energy- use reduction through 2025; request reports to the Special Subcommittee on Energy.

Jan 8-introduced in House; to Tourism Development & Energy (H)

[HB 110 - J. Gooch Jr.](#)

AN ACT relating to utility rate adjustment for fuel costs.

Create a new section of KRS Chapter 278 to prohibit the use of the fuel adjustment clause by baseload generation facilities which are fired by natural gas.

Jan 9-introduced in House
Jan 10-to Tourism Development & Energy (H)
Jan 11-reassigned to Natural Resources & Environment (H)

Environment[HB 126 - B. Yonts](#)

AN ACT relating to the Petroleum Tank Environmental Assurance Fund.

Amend KRS 224.60-142 to extend the date for tank owners to register, submit affidavits and file applications for their tanks in the Petroleum Storage Tank Environmental Assurance fund from July 15, 2013, to July 15, 2016; amend KRS 224.60-130 to require the cabinet to make reimbursements for those participating in the petroleum storage tank program before July 15, 2019; amend KRS 224.60-145 to extend the small operator assistance account and small operator removal account programs for 3 years from July 15, 2013, to July 15, 2016.

Jan 11-introduced in House

[HB 134 - D. Horlander](#)

AN ACT relating to tax credits for environmental remediation.

Amend KRS 141.418 to allow a tax credit for renovating or demolishing a qualified industrial building, and expand the maximum amount of credit available to each taxpayer.

Jan 11-introduced in House

Health & Safety[HB 66 - S. Riggs](#)

AN ACT relating to radon contractors.

Amend KRS 211.9109, 211.9111, and 211.9113 to delete the requirement for a radon measurement contractor to maintain errors and omissions coverage in an amount of \$500,000 at all times during the certification period; enable a radon mitigation or measurement contractor to become certified without filing a license and permit bond; amend KRS 211.9117 to remove the diagnostic-purposes-only exemption from the prohibition on a person dually certified as both a measurement and mitigation contractor conducting mitigation on a residential or commercial building from conducting measurement on that same structure to determine the need for the mitigation; amend KRS 211.9121 to conform.

Jan 8-introduced in House; to Licensing & Occupations (H)

Jan 11-posted in committee

Utilities[HB 40 - K. Sinnette](#)

AN ACT relating to utility franchises.

Amend KRS 96.010 to prohibit bidders for city utility franchises from recovering the franchise fee

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from ratepayers through fees or surcharges on their bills.

Jan 8-introduced in House; to Tourism
Development & Energy (H)

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