



**Kentucky Legislative Report
May 26, 2016 – 2016 Legislative Recap**

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Scott's Thoughts

Governor Bevin's first legislative session, while filled with plenty of political posturing from both Republicans and Democrats proved to be successful. The legislature passed a budget that included:

- \$1.2 billion in funding for pensions;
- \$125 million to a "permanent fund" designed to go toward pension funding in the future;
- \$175 million going to the state's "rainy day" fund;
- \$100 million bond for work force development
- 4.5% cuts to higher education;
- Performance based funding criteria for higher education;
- No cuts to K-12 education;
- Funding for "Work Ready" scholarship program starting in 2017.

While part of the work in Frankfort is to pass legislation, most of the work is to educate legislators and prevent bad legislation from passing. Efforts to repeal academic standards were blocked; tax on oil and gas pipelines defeated, increase in sales and business taxes defeated, mandatory maternity and sick leave was turned down.

Some of the pro-business bills that made it through the legislature include the approval of [public private partnerships](#). The bill provides a framework for the use of public private partnerships (P3s) as an alternative method of procurement, construction or financing of capital projects and services by government.

The legislature directed the LRC to establish a [Workers' Compensation Task Force](#) made up of equal parts business and labor to study the workers' compensation system and make recommendations.

A new method for [permitting oil and gas test wells](#) to better collect data on Kentucky's oil and gas resource was passed.

There are several issues that certainly be back for the 2017 session. Some of them include right to work, workers compensation fix, local option sales tax, prevailing wage, ban on nuclear power, charter schools.

If you have ideas for the next legislative session, now is the time to contact your local representative or trade association. It takes time to educate legislatures and other key people in the process and write proposed Bills. You can't begin too early.

The remaining issues that did not make it through this session will be reconsidered by the legislative sponsors and supporters. We may see some of those issues discussed during the interim session this summer and fall and could see them again in 2017.

We'll continue to track the Bills under consideration by the Governor and keep you informed about what's going on throughout the year. Check our [Reg Watch](#) for updates throughout the year. I hope our information has been useful and informative.

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