



**Kentucky Legislative Report
January 22, 2018 - Regular Session Update**

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Scott's Thoughts

The Bills started to trickle in last week. They were certainly a diverse lot. Legislators appeared to be taking aim at the regulatory process, energy efficiency and public protests. Some of these ideas are not new, especially HB 196 which would require power plants to use an increasing amount of renewable energy. Unless there is a disturbance in the force, don't expect this one to go very far. I'm guessing it won't even get a Committee Hearing unless it's a "for discussion only" meeting. HB 10 proposes a Constitutional Amendment to give veto power to individual legislative committees. It will be interesting to learn more about this Bill because I'm not sure what problem it is trying to fix. Kentucky's regulatory program has legislative oversight through a single regulation review committee (not specific legislative committee oversight) and I've not heard of any problems with the current system.

The State highway fuel taxes are suffering because of more fuel-efficient vehicles. HB 45 addresses hybrid and electric vehicles. The Sponsors of HB 45 would impose an additional registration fee of between \$50 and \$150 on hybrid and electric vehicles to be paid into the road fund. The fee would be adjusted as gasoline tax increases or decreases. What you will also need to keep an eye on is Rep. Koenig's HCR 18 which aims to rework the formula for funding highways.

The proposed state budget from the Governor has some interesting information regarding the environment and other areas of state government [HB200](#) is the budget bill. The 70 programs that are proposed to be eliminated can be found on pages 130-134. Some examples include Ky. Coal Academy, Ky. Transportation Center at UK, Center for Entrepreneurship at UK, mining engineering scholarships at UK, area development fund in the Dept. of Local Government, State tree nurseries and the Environmental Education Council. Also \$2,006,300 in the Ky. Pride Trust Fund is being transferred to the General Fund.

An interesting Bill that addresses public protests is HB 53. Some of the more interesting aspects of the proposed legislation is that it would immunize from liability a motor vehicle operator who negligently injures or kills any person who obstructs traffic during a protest or march for which no permit has been granted. It also forbids wearing masks or hoods during a protest.

Airports got some love last week. HB 90 establishes a refundable income tax credit for the costs of mitigating noise from a commercial airport.

There will be much more legislation coming at you, especially after the January 30th filing deadline. Things to watch include a rework of the gas tax that will place more emphasis on new infrastructure initiatives. This is important because the underground storage tank fund is funded through this tax. A readjustment in the gas tax could impact the UST Fund. The Fund needs to be reevaluated to determine its effectiveness and who it is really helping; the mom and pop stations or the mega oil companies.

Stay tuned.

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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Regulations

[HB10](#) (BR 40) - K. Imes, S. Wells, C. Morgan

Proposed constitutional amendment to give legislative committees veto power over administrative regulations.

Jun 27, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in House; to Elections, Const.

Amendments & Intergovernmental Affairs (H)

Jan 03, 2018 - posted in committee

Jan 08, 2018 - reported favorably, 1st reading, to Calendar

Jan 09, 2018 - 2nd reading, to Rules

Jan 17, 2018 - recommitted to Elections, Const. Amendments & Intergovernmental Affairs (H)

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Vehicle Fees

[HB45/LM](#) (BR 57) - S. Santoro, J. Sims Jr

AN ACT relating to electric and hybrid vehicle fees and making an appropriation therefor.

Create a new section of KRS Chapter 186 to establish a base fee for hybrid vehicles, hybrid electric plug-in vehicles, and non-hybrid electric vehicles; require the fee to be adjusted with any increase or decrease in the gasoline tax established in KRS 138.228; require collection of the fee at the time of motor vehicle registration; require that all fees collected under this section be transferred to the road fund; amend KRS 186.010 to define the terms "hybrid vehicle," "hybrid electric plug-in vehicle," and "non-hybrid electric vehicle"; EFFECTIVE January 1, 2019.

Sep 22, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in House; to Transportation (H)

Public Protests

[HB53](#) (BR 305) - C. Morgan

AN ACT relating to public protests.

Create a new section of KRS Chapter 525 to create a Class A misdemeanor, disruption of a public protest, for a person who wears a mask or hood concealing his or her face while engaging in a public protest; create a Class A misdemeanor, obstruction of traffic; abolish criminal or civil liability for a motor vehicle operator who causes injury or death to a person obstructing the flow of traffic during a public demonstration for which a permit has not been granted, unless the infliction of injury or death is intentional; create a new section of KRS Chapter 522 to prohibit any person, including a public servant, from preventing a peace officer from performing official duties at a protest.

Oct 24, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in House; to Judiciary

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Budget**[HB200](#)** (BR 827) - S. Rudy

AN ACT relating to appropriations and revenue measures providing financing and conditions for the operations, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state-supported activities.

Energy Efficiency**[HB196](#)** (BR 935) - M. Marzian, J. Jenkins, M. Cantrell, A. Scott

Create new sections of KRS Chapter 278 to require retail electric suppliers to use increasing amounts of renewable energy; require retail electric suppliers to take energy-efficiency measures and implement energy-efficiency programs that increase energy savings over a period of time; provide for alternative compliance plans for public utilities that fail to meet renewable energy or efficiency requirements; define renewable energy; specify reporting requirements to the

Public Service Commission regarding progress in diversifying energy sources and energy savings; require the Public Service Commission to develop tariff guidelines for purchase of renewable power.

Airport Noise**[HB90](#)** (BR 52) - J. Donohue, R. Meeks, J. Wayne

Establishes a refundable income tax credit for the costs of mitigating noise from a commercial airport for taxable years beginning on or after January 1, 2018, but before January 1, 2022

Jan 02, 2018 - introduced in House

Jan 04, 2018 - to Appropriations & Revenue (H

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