



March 25, 2024

Tick Tock

Following a change in the legislative calendar last week, the General Assembly was in recess until Thursday and Friday of this week when it convened for Days 53 and 54 of this 2024 sixty-day budget session. Our update this week is focused heavily on the budget bills and the conference committee, as the fate of most bills in the General Assembly is tied in some way to its progress.

While the legislature was not in session the first part of the week, legislative committees continued to meet to move bills through the process.. By the time Chambers gaveled in on Thursday, many more bills—47 in the Senate and 17 in the House—had made their way through committee to the floor. When they convened for floor action on Thursday and Friday, both Chambers worked efficiently but did not log the number of hours that many expected, as there continues to be a limited number of bills being heard in the second chamber. In large part, this was due to House and Senate leadership and others needing to meet to negotiate differences in the budget. There remain many bills to pass and less and less floor time to get them passed.

Bills that require concurrence were expedited, and bills were moved to committee and back for floor readings to keep them viable to pass before this Thursday. These procedural steps anticipate the four-day week to come: The General Assembly will meet Monday through Thursday. The veto recess begins on March 29, and then the legislature will return for veto override days on April 12 and 15.

BUDGET AND APPROPRIATIONS BILLS

Much of the focus this week centered on the conference committee appointed to negotiate differences between the House and Senate versions of HB 1, the strategic investment appropriations bill, and HB 6, the Executive Branch budget bill. The conferees met publicly for a few hours on Monday, March 18, and then proceeded to meet behind closed doors to hammer out their differences.

We believe an agreement has been reached on the budget, HB 6, although no details have been released at this time. Late in the week, the conference committee shifted its attention to HB 1, which is where most of the differences between the two chambers reside. The Senate's version of HB 1 (\$3.5 billion) nearly doubled the amount of one-time spending included in the House version (\$1.8 billion) of the bill. After meeting briefly on Friday, we don't expect the conference committee to resume negotiations again until the morning of March 25.

These bills must reach final passage by midnight on Thursday in order for the General Assembly to maintain their ability to override any gubernatorial vetoes. Note that the Governor can issue line-item vetoes in both HB 1 and HB 6. From a timing perspective, the conference committee needs to reach an agreement by Tuesday evening in order for passage to take place on Thursday.

The Transportation Cabinet budget, HB 265, and the biennial highway construction plan, HB 266, have both been given two floor readings and returned to the Senate Transportation Committee where if favorably reported, can be moved to the floor for an immediate vote. HB 8, the annual revenue bill that accompanies the budget, was favorably reported by Senate A&R with a committee substitute and is in Senate Rules with two readings. Though the budget conference committee is designated for HB 6, it's likely that these three bills will be included in the negotiations along with the legislative and judicial budgets.

LEADERSHIP PRIORITY BILLS

The movement of other leadership priority bills in the legislative process was slowed this week and, for the most part, involved less controversial measures that did not spark the intense floor debates of previous weeks.

Rep. Moser's HB 10, or "Mominibus Bill" addressing many aspects of maternal health was favorably reported to the Consent Calendar by Senate Health Services with a committee substitute and now a floor amendment to allow termination of pregnancies complicated by fatal fetal anomaly was filed on Friday. The amendment will likely pull the bill off Consent and if called could cause intense debate.

The other priority bill moving this week was HB 13, an extension of the Product Development Initiative, an economic development grant program to help local communities with site development aimed at attracting new business.

Here is a comprehensive list of priority bills and their place in the legislative process, we would only note that getting all or even a majority of these bills to the Governor's desk by Thursday will take a significant amount of floor time:

Senate:

- SB 1 - Collaborative Research Fund public universities. *Passed Senate, House A&R with two readings*
- SB 2 - School safety and student mental health services. *Passed Senate, in House Education.*
- SB 3 - Moves Fish & Wildlife & Horse Racing Commission to Dept. of Agriculture. *Passed Senate, Awaits House committee assignment*
- SB 4 - Limits the accrual of sick leave for teachers. *Passed Senate, in House State Gov on Monday*
- SB 6 - Diversity, Equity, and Inclusion at Universities. *Passed both Chambers, In Senate for Concurrence*
- SB 7 - KEES scholarships for homeschooled students. *Passed Senate, House Education*
- SB 8 - Provides for an elected Kentucky Board of Education. *Passed Senate, House Education*
- SB 10 - Const. Amend. on elections for const. officers. *Passed Senate, Awaiting House committee assignment since 1/18*

House:

- HB 1 - Budget Reserve Trust Fund investment plan. *Passed both Chambers, In Conference Committee*
- HB 3 - Measure to combat human trafficking - *Passed House, In Senate Judiciary*
- HB 4 - Constitutional Amendment on General Assembly sessions, *In House Elections with two readings*

- HB 5 - Criminal justice bill "Safer Kentucky Act." *Passed both Chambers Awaits House concurrence*
- HB 6 - Executive Branch Budget. *Passed both Chambers, In Conference Committee*
- HB 7 - Operation of autonomous vehicles in KY. *Passed House, Posted for Senate passage*
- HB 8 - The biennial revenue bill – *Passed House, In Senate Rules*
- HB 9 - Legislation on diversity, equity, and inclusion in post-secondary education. *In House Education*
- HB 10 - Addresses maternal health, "Mominibus Bill". *Passed House, Favorably reported to Consent by Senate Health Services*
- HB 11 - Regulate the sale of and enforcement of nicotine products. *Passed House, in Senate L&O.*
- HB 12 - Prohibit construction of jails without legislative approval. *Passed House, Senate State & Local*
- HB 13 - Extend the Product Development Initiative. *Passed House, favorably reported by Senate Economic Development, Senate Rules with two readings*
- HB 14 - Constitutional amendment on local government tax reform - *In House Elections with two readings*
- HB 15 - Consumer data privacy bill. *Passed both Chambers, House Rules for Concurrence*

TWO NEW HOUSE MEMBERS

The House has been operating two members shy for most of the 2024 Session due to the departure of Brandon Reed and Russell Webber, as both took jobs with constitutional officers (Reed with Agriculture Commissioner & Webber with State Treasurer). The results of two special elections to fill the unexpired terms of those members are in, and we welcome Courtney Gilbert (GOP-24) and Peyton Griffie (GOP-26). Gilbert is the sister of Sen. Adrienne Southworth, and Griffie is an attorney. We expect them both to be sworn in this week.

COMMISSIONER OF EDUCATION NAMED

The State Board of Education announced that Lawrence County Superintendent Robbie Fletcher has been selected as the next Kentucky education commissioner. The appointment is subject to confirmation by the Senate.

Big I Kentucky Update

With four legislative days before the veto recess, it has all come down to this! With the GOP-controlled legislature wanting to maintain its ability to override any vetoes that may be issued by Democrat Governor Andy Beshear we expect a couple of hundred bills to be considered before Thursday at midnight. The insurance industry bills of interest to Big I members are all poised to hit the Governor's Desk this week.

Top Priorities

HB 371 - Mine Subsidence Coverage Limit - Passed 38-0 with friendly Senate amendment and heads to House for floor vote to concur in amendment, which should happen on concurrence days (Wed/Thur). **Big I Supports!**

SR 235 - Insurance Commissioner Sharon Clark's confirmation resolution. The resolution must be approved by the full Senate before sine die adjournment on April 15, and we expect adoption will not occur before the veto recess. **Big I Supports!**

SB 188 - PBM Reforms - The bill mandates an increase in pharmacists dispensing fees, restricts mail order, and mandates changes to pharmacy networks. Could have a significant impact on self-insured health groups and ERISA plans. Awaits Senate Floor action with amendments...seems likely to pass this week. **Big I Opposes...Contact Your Senator!**

Key Insurance Bills

HB 554 - Allow public universities to opt out of buying coverage from the state Tornado & Fire fund and allow them to access coverage in the private market. Passed from Senate B&I unanimously...awaits Senate floor action on Consent Calendar

HB 256 - Fortified Roof Incentives - Passed unanimously from Senate B&I last week...poised for Senate Consent floor action as early as Monday. No amendments so it would go straight to the Governor's Desk.

SB 29 - Glass Bill - Passed House 87-1 with friendly amendment...heads back to Senate for concurrence in House amendment, so it is a Senate floor vote away from the Governor's Desk. Likely to occur on concurrence days Wednesday/Thursday.

HB 280 - NCOIL Delivery Network Companies Insurance Model - Passed 38-0 and should be delivered to the Governor on Monday.

HB 498 - DOI Accreditation - The DOI's financial standards legislation needed to maintain their NAIC accreditation. Passed unanimously by Senate B&I last Wednesday and awaits Senate consent floor action that could occur as early as Monday.

SB 158 - Minor Settlements - Two Readings in House Rules. Could see House floor action this week.

HB 401 - Allows out-of-state physicians to review workers' compensation medical records. The bill is on the Senate Consent Calendar with friendly amendment and should receive a floor vote early this week and then will need House concurrence.

Don't forget to review the Big I bill list!!!

LEGISLATIVE CALENDAR

You can access the 2024 Regular Session Calendar [HERE](#). As always, the session calendar may be amended during the session by House and Senate leadership. Significant dates are:

- March 27 and 28: Concurrence days
- March 29 through April 9: Veto recess
- April 12 and April 15: Veto Override
- April 15: Sine Die Adjournment